

Terms of Reference (ToR)

PROJECT: Pilot audits for ASC draft Audit Manual Seriola/Cobia

Version 20140108

Background

Through a series of eight global, multi-year, multi-stakeholder processes (Aquaculture Dialoguesⁱ) initiated and coordinated by the World Wildlife Fund (WWF), more than 2,000 people participated in the development of the ASC standards for responsible aquaculture. ISEALⁱⁱ guidelines for robust and credible standard setting were respected throughout this process.

Founded in 2010 in Utrecht, The Netherlands, the Aquaculture Stewardship Council (ASC) currently hosts seven standards for responsible aquaculture, as received from the Aquaculture Dialogues: Tilapia, Pangasius, Bivalves (mussels, oysters, scallops, clams), Abalone, Salmon, Trout, and Shrimp. The combined standard for Seriola and Cobia, is expected to be finalized early 2014.

ASC has developed a robust accreditation and certification framework for the actual implementation of these standards and a logo licensing program to facilitate the uptake of certified and labeled products into global supply chains. We have chosen to work with third party accreditation and certification processes to maintain the independence of the assessment of aquaculture operations.

To enable auditors to do these assessments in a credible and consistent manner, a series of standard-specific Audit Manuals (AM's) has been developed. These will be tested in practice as part of their final review. AM's for Tilapia, Pangasius, Salmon, Bivalves and Abalone are final and can be found at the ASC website.

The ASC has requested that selected partners carry out on-farm pilot audits to test the draft AM's for Seriola/Cobia.

Project objectives

AM's are provided to guide farmers, auditors and (as a secondary target audience) other relevant stakeholders through the assessment process to ensure consistent, effective and credible implementation and verification of the ASC standards. The ASC standards prescribe the exact performance requirements that need to be met, while the AM's provide specific, practical guidance on the exact implementation of the standards for farmers and stakeholders and the subsequent verification by the auditors.

- 1) **For ASC** the primary objective of the pilot audits is to receive practical feedback to further improve (and finalise) its draft AM's.
- 2) **For farms** the pilot audits can be used to get a good understanding of how their current business practices relate to the relevant ASC Standard (gap-analysis). As a result any improvements needed to meet the ASC requirements will be identified.
- 3) **For certifiers** the pilot audits will enable them to familiarise themselves with the ASC standards, the AM's, the certification and accreditation requirements, as well as enabling them to prepare draft checklists and procedures that will prepare their internal systems for a smoother ASC-accreditation process later.

Boundaries

This project is focused on the improvement of the AM's for the two standards mentioned above. Review or improvement of other documents (e.g. standards), procedures and governance documents are not part of this project. Farms cannot be certified as a result of these pilots. Certifiers cannot certify farms until they have completed the ASC's relevant accreditation process(es).

Key requirements for participants

Farm

- Facilitate the work of the on-site audit team, including access to all relevant areas, staff and documentation during the audit.
- Supply requested documents and information as requested by the certifier. Prior preparation in collating required information and its availability before or at the commencement of the audit; will ensure an efficient audit process.

- Although farms cannot be certified on conclusion of the pilot audit, ASC recommends participating farms to work with certifiers they would likely contract for the formal certification audit later. The experience gained during this pilot audit will lead to increased efficiency at that stage. Please make sure the certifier you will work with intends to become accredited for the ASC, in line with your aspirations to become ASC-certified!

Certifier

- Conduct the pilot audit as if it were a full ASC farm audit by auditing all the requirements as stated in the relevant, species-specific ASC Standard and the related AM.
- Follow all certification requirements as set out in the ASC Farm Certification and Accreditation Requirementsⁱⁱⁱ (CAR) apart from the exemptions as set out in Annex 1 to these ToR.
- Provide the following documents to the ASC:
 - the full (pilot-)audit report (see ASC CAR for exact reporting requirements); and,
 - in a separate document any remarks and recommendations to the ASC as a result of testing the AM's. A mandatory template (see Annex 2 to these ToR) is provided to allow the ASC to efficiently collate the results of well over 50 pilot audits.
- While certifiers must follow the ASC Farm CAR^{iv} they DO NOT need to be accredited against the ASC Standards (see Annex 1 to these ToR for more details).
- CANNOT certify a farm by means of this pilot audit

ASC

- Will provide all necessary documents to relevant stakeholders.
- Will provide overall project coordination.
- Will provide clarifications to participating stakeholders as requested.
- Will use received feedback to improve its AM's.

Planning - *(draft, final planning will be published when standard will be handed over to ASC)*

ASC will provide all relevant documents to participating farms and CABs before 15 March 2014.

Farms and CABs will sign and return the signed ToR (this document) to ASC before 1 April 2014.

It is expected (depending on the size/complexity of the farm and size/experience of the audit team) that an on-site pilot audit will take 1-3 days. In addition, farms and certifiers will need time to prepare for the pilot audit and certifiers will need time to process their findings into the required formats for the audit report and any observations regarding the suitability of the AM (see ASC's CAR for the audit report format and Annex 2 of this ToR for feedback on the AM).

ASC requests to receive all feedback from the pilot audits no later than 31 July 2014. If you believe this is not possible for you or your client, please contact ASC at pilots@asc-aqua.org a.s.a.p. to determine whether alternative arrangements can be made.

The ASC will process all feedback, seek necessary clarifications and submit the Audit Manual revisions through ASC's governance bodies: the ASC Technical Advisory Group (TAG) and the ASC Supervisory Board (SB) by 15 August 2014.

ASC's TAG and SB will approve revised AM's by 15 September 2014.

All partners will be notified in case of any revision of the planning above.

Documents will be(come) available as follows:

Standard	Desk Reviewed AM available for pilot testing	Testing period AM (planned)	Feedback deadline farms / CB's	Final version AM (planned)
Seriola/Cobia	15 March 2014	April – July 2014	31 July 2014	15 Sep 2014

Costs

Farms and certifiers will not be financially compensated for these pilot audits by the ASC and will need to arrange their own funding.

Confidentiality

ASC will use the pilot audit feedback forms to further improve its AM's. Client and farm-specific information will not be disclosed, unless all related parties (farm/certifier/ASC) have confirmed their approval in writing first. If pilot partners publicly discloses information (e.g. announces that it participates in these audits), the ASC will be allowed to refer to that to third parties, without prior approval from pilot partner.

To evaluate the pilot audit information will require ASC's operational staff, ASC's SB and ASC's TAG access to the collated audit material. The ASC may require external consultant(s) to assist in the processing and evaluation of the pilot information. Any consultant and all members of the ASC's staff and governance will be bounded by confidentiality arrangements, such that they will not distribute or disclose any pilot related information to any third party.

Documents will be electronically stored at the servers of ASC.

Reporting requirements

- Certifiers will provide **2 separate reports** to the ASC (1 with farmer's feedback, 1 with CB's feedback).
- Both reports must be in the formats specified (see appendix 2)
- All communication to and from ASC (mail, reports etc.) will be **in English**.
- All reports will be sent to ASC **via e-mail (soft-copy)** to: pilots@asc-aqua.org
- Feedback by farms and CB's may be sent to ASC when available, but no later than 31 July 2014.

Company Name :

Address + Place :

Country :

Phone : (incl.country code) +(0).....

Mobile phone : (incl.country code) +(0).....

E-mail address :

Company website : www.....

Date (DD/MM/YYYY) : / / 2014

Signature :

Name : Mr / Mrs

	If you are a Certifier, also provide contact details of PARTNERING FARM	If you are a farm, also provide contact details of PARTNERING CERTIFIER
Planned audit date	<i>(or inform ASC as soon as available)</i>	
Company name		
Farm name		n/a
Farm full address (including country) OR location description		n/a
Contact person	Mr / Mrs	Mr / Mrs
Phone contact (+ country code)	+	+
Mobile phone contact person	+	+
E-mail address contact person		
Company website	www.	www.

Appendix 1 – Requirements CABs

All requirements within the ASC's Farm Certification and Accreditation Requirements (CAR) will be applicable as requirements for certifiers or auditors, with the exception of the ones listed in this appendix.

Full text of ASC CAR can be found in the download centre at the ASC website: http://www.asc-aqua.org/upload/ASC%20Farm%20Certification%20and%20Accreditation%20Requirements_v1.0.pdf

The following CAR requirements are **not** applicable - *if no further text is added, the mentioned requirement will **not** apply:*

- Generic:
 - 'Audit' shall be read as 'pilot Audit'
 - 'Audit Manual' shall be read as 'draft Audit Manual'
 - it must be made clear to all stakeholders contacted for the purpose of these pilot audits that this is a pilot audit and will not lead to the certification of the farm as a direct result of this pilot audit
 - [...] Although ASC strongly encourages certifiers to do so, certifiers do not need to hold accreditation for ASC, nor does it need to be an applicant
 - In the CAR an 'ASC Database' is referred to. This database is not operational yet. Communication with ASC will be done by e-mail instead. For this pilot audit project the dedicated e-mail address is: pilots@asc-aqua.org
- 4.10 → no separate contract is needed (signing this ToR suffices)
- 4.12
- 6.1.2.2 & 6.1.2.3 → ASC's Standard specific training is not mandatory for these pilots
- 6.1.4.1 → no written procedure is needed
- 7.1 → 'Applicant' should be read as 'aquaculture operation (farm) which participates as pilot partner'
- 7.1.1.2 a, b, d
- 7.3 → although this pilot audit will be performed as if it were an official audit, this audit will not lead to certification of the aquaculture operation (farm). Nevertheless, certifier shall include the pro forma 'certification decision' in his audit report.
- 7.3.4 (7.3.4.1, 7.3.4.2)
- 7.4 (7.4.1, 7.4.1.1)
- 7.5 (7.5.1)
- 7.6 (7.6.1, 7.6.2)

- 8.1
- 16.1.1 → 'ASC lead auditor' shall be read as 'lead auditor'
- 16.1.2.3 → If auditor has substantial, proven social auditing experience for other schemes, this requirement may be waived for these pilot audits.
- 17.2.1
- 17.3.1.1
- 17.4.1 → if both farm and certifier have signed their ToR (with clear reference to each other) this requirement does not apply
- 17.5 → this part (eligibility and CoC) must be audited 'as if' the farm were to be certified. However no products will be allowed to enter the supply chain as ASC certified, as a result of this pilot audit.
- 17.6.2 → reports resulting from these pilot audits will not be posted
- 17.8 → if Certifier raises any non-conformity a corrective action plans will be drafted. These will not be binding for the farms at this stage.
- 17.9 → Certifier shall not make an official certification decision as a result of this pilot audit, but will (for the sake of completeness) draft a proposed certification decision.
- 17.9.3 (17.9.3.1)
- **17.9.4 → IMPORTANT!! Certifiers are not allowed to grant certificates as a result of this pilot audit**
- 17.11 → no certificate will be granted
- 17.12 → no certificate will be granted
- 17.13
- 17.14
- 17.15
- Annex B – Table A:
 - B2 → all trainings and competences apply, unless specifically excluded in this annex.
- Annex B – Table B:
 - B18 applicable, except: 'The individual has conducted at least five (5) ASC audits or have been a member of an audit team for ten (10) audit days, for equivalent aquaculture audits at more than one (1) production facility.'
 - B21
- Annex B – Table C → Group Certification not applicable for these pilot audits
- Annex C:
 - C2 → reports shall be written in English (translation into other language(s) not necessary for pilot audit)

- C3
- C4.3 → although the audit report for pilot audits will not be public, the Certifier will need to report ‘as if’ it were an actual audit.
- C6.2 → Pilot audit reports will NOT be posted at the ASC website
- C6.3 → 10 days’ public comment period not applicable for pilot audit reports
- C6.4
- C6.5 → Pilot audit reports will NOT be posted at the ASC website
- Table C1 → Findings → although no certification decision may be taken as a result from this pilot audit, the Certifier will write the audit report ‘as if’ this was an official audit report. Including whether certification would have been granted as a result of the audit findings
- Table C1 → Decision → see above at ‘Findings’
- Table C1 → Determination of the start of the CoC → see above at ‘Findings’
- Annex D:
 - D3.1 → no information resulting from these pilot audits will be disclosed publicly.
- Form 3 → not applicable, pilot audits will not be publicly announced

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Appendix 2 – Mandatory reporting formats

For each of the pilot audits the ASC shall receive 2 electronic documents from each Certifier, which shall follow the formats as described below:

1) The Audit Manual (an Excel-sheet, as provided by ASC)

This sheet includes additional columns in yellow for comments and suggested rewording (see figures 1 and 2 below) for:

- a. By the certifier:
 - i. Line by line comments of the adequacy of the Audit Manual
 - ii. Suggestions for reworded existing Audit Manual text to provide further clarity.
- b. By the farmer:
 - i. Line by line comments on the columns with the heading '*Compliance Criteria (Required Client Action)*'
 - ii. Suggestions for rewording from the certifier as a result of their observations made during the pilot audit.

2) The Audit Report (in Word)

- a. Format: see document 'ASC Farm Certification and Accreditation Requirements', Annex C – Aquaculture Audit Report Requirements, Table C1

Both reporting documents should be sent to pilots@asc-aqua.org

as soon as available, but no later than 31 July 2014.

Filled in by client/auditor (mark red what is applicable)

Name:	Company:	Date:	These 2 columns to be used by the FARMER		These 2 columns to be used by the AUDITOR	
			Client's comments on Compliance Criteria	How to rephrase Compliance Criteria	Auditor's comments on Auditor Evaluation	How to rephrase Auditor Evaluation
1.1.1	Indicators: Evidence of compliance with all applicable requirements and register when the Farm is open for business (i.e. permits, licence, licence address, etc. are available for use on the water way)	Requirements: Nil	Compliance Criteria (Required Client Action): A. Obtain copies of applicable law and register when the Farm is open for business. B. Obtain evidence of compliance with all applicable requirements and register when the Farm is open for business. C. Obtain the necessary permits, licence and register when the Farm is open for business.	Auditor Evaluation (Required OR Action): A. Verify compliance with applicable law and register when the Farm is open for business. B. Verify that the Farm has evidence of compliance with all applicable requirements and register when the Farm is open for business (where applicable). C. Verify that the Farm has all applicable permits, licence and register when the Farm is open for business.		
1.1.1	Indicators: Accessible to all at all times for all staff and visitors (including children) and all staff and visitors are aware of the location of the farm (see Annex 1.1.1.1)	Requirements: 1. 800µM, maximum cover (1000µM and 2000µM, maximum cover) is recorded. 2. The location of the farm is accessible to all staff and visitors at all times. 3. The location of the farm is accessible to all staff and visitors at all times (see Annex 1.1.1.1)	Compliance Criteria (Required Client Action): A. The location of the farm is accessible to all staff and visitors at all times. B. The location of the farm is accessible to all staff and visitors at all times (see Annex 1.1.1.1)	Auditor Evaluation (Required OR Action): A. Verify from video evidence that the location of the farm is accessible to all staff and visitors at all times (see Annex 1.1.1.1). B. Verify from video evidence that the location of the farm is accessible to all staff and visitors at all times (see Annex 1.1.1.1).		
2.1.2	Indicators: 1. Records for all of the farm's activities are kept and are accessible to all staff and visitors at all times (see Annex 2.1.2.1)	Requirements: 1. 3000 µM 2. Records for all of the farm's activities are kept and are accessible to all staff and visitors at all times (see Annex 2.1.2.1)	Compliance Criteria (Required Client Action): For farms with a 3000 µM requirement, records for all of the farm's activities are kept and are accessible to all staff and visitors at all times (see Annex 2.1.2.1)	Auditor Evaluation (Required OR Action): For farms with a 3000 µM requirement, verify from video evidence that records for all of the farm's activities are kept and are accessible to all staff and visitors at all times (see Annex 2.1.2.1).		

Figure 1; Example - reporting format Audit Manual Bivalves

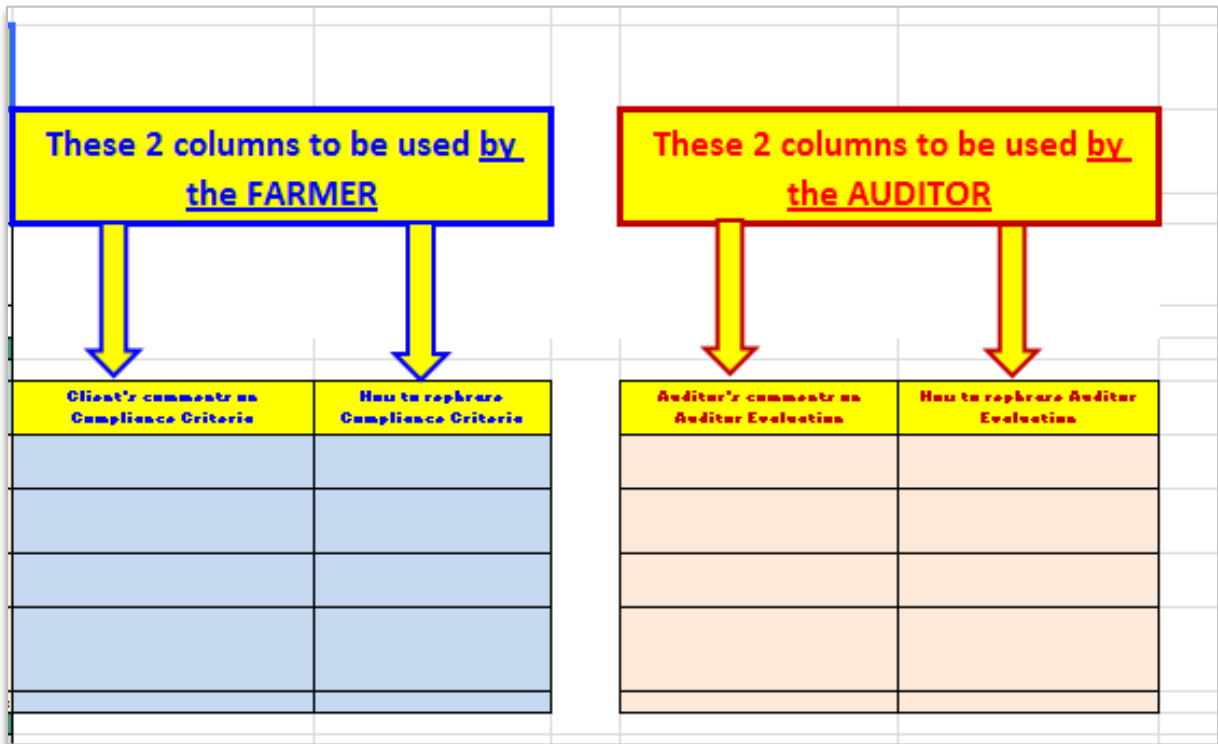


Figure 2; Example - reporting format Audit Manual Bivalves in detail

ⁱ www.worldwildlife.org/what/globalmarkets/aquaculture/aquaculturedialogues.html

ⁱⁱ *global association for sustainability standards*; www.isealliance.org

ⁱⁱⁱ www.asc-aqua.org/upload/ASC%20Farm%20Certification%20and%20Accreditation%20Requirements_version%201%200_20120314_DEF%20%282%29.pdf

^{iv} www.asc-aqua.org/upload/ASC%20Farm%20Certification%20and%20Accreditation%20Requirements_version%201%200_20120314_DEF%20%282%29.pdf