SA8000 – Interpretive Supplement #2
Annual On-Site Surveillance Audit Program: CB Background Information
(SAAS Procedure 200 Version 4.1 – June 30, 2019)

1) **Annual On-Site Surveillance Audit Background and Transition Planning Requirements for SA8000 Clients**

a) Following feedback from 3 years of implementing the SA8000:2014 Standard, it has become apparent that 6-monthly surveillance audits are often perfunctory.

b) Under the SA8000:2014 Standard and previous versions of SAAS Procedure 200, the majority of single site surveillance audits have been for a duration of one day by one auditor, making the completion of all the necessary audit paths extremely difficult within the allocated time (especially if a Social Fingerprint Independent Evaluation is also required). This has created a situation tending towards:

    i) a reduction in the number of audit findings;

    ii) a high probability that not all findings are being recorded;

    iii) insufficient time given to the follow-up reviews of previously raised non-conformities (and evaluation of the effectiveness of root cause analysis and corrective action);

    iv) inability to audit non-day-shifts.

c) To address this situation, after consultation with CBs and other stakeholders, SAI and SAAS are requiring implementation of an annual surveillance program for SA8000 certification clients. To accomplish this, CBs are required to transition ALL of their SA8000 Certified Clients* to an annual surveillance program. Full accreditation requirements for the SA8000 certification program are detailed in the updated (Version 4.1) SAAS Procedure 200, however, the following outline of the annual program and transition expectations may be useful.

d) CBs shall establish and implement a program for certifying SA8000 clients in accordance with SAAS annual surveillance requirements as follows:

    i) For all new SA8000 "single site" certification applicant clients – to be applied immediately, but no later than March 30, 2020.*

    ii) For all established SA8000 "single site" certification clients – to be applied at time of next recertification contract.*

Notes:

    1. To be eligible for the SA8000 annual surveillance program, the client must be a "single site" organisation (i.e. NOT a "Multi-Site organisation" as defined in SAAS Procedure 200 4.1 Clause 7.2.16). Other than clarifying activity timing alignment of multi-site certification schedules with revised single-site requirements in Figure 4 (Section 21), the certification program requirements for multi-site organisations remain mostly unchanged at this time.

    2. New SA8000 certification or recertification activities that have been quoted and can be completed by March 30, 2020 may either:

       • *continue on the basis of a previously-quoted semi-annual surveillance program in accordance with Procedure 200 Version 3.1 requirements (until the time of the next recertification contract); or*

       • *be re-quoted and undertaken on the basis of a new annual surveillance program and contract as described herein and in SAAS Procedure 200 (Version 4.1).*

    3. Established SA8000 "single-site" certifications may:

- *remain on a semi-annual surveillance program in accordance with an existing contract until such time as that certification cycle is completed and the contract is due for renewal (i.e. no later than March 30, 2023); or*
- *immediately (or at any time throughout the current certification cycle providing that the required recertification visit is completed within six months of the organisation's last audit visit) upon request, transition to a new, full, three-year annual certification program and contract.*
4. *Under no circumstance may any established SA8000 "single site" certification or recertification activity continue on a semi-annual surveillance program and contract after March 30, 2023.*
5. *Existing certification clients that qualified for and undergo an annual surveillance program (in accordance with SAAS Procedure 200 Version 3.1 Clause 16.1.6 b) and Clause 16.1.7) shall be migrated to the new Annual Surveillance program as described in SAAS Procedure Version 4.1 before March 30, 2020.*

2) Summary of Annual Surveillance Program

a) ***Certification Audits:*** The timing and protocols remain substantially unchanged.

b) ***Surveillance Audits:***
   i) Instead of five semi-annual surveillance visits per certification cycle (6, 12, 18, 24 and 30 months after certification/recertification), the annual program requires just two surveillance visits per certification cycle (immediately prior to the 6 month and 18 month anniversaries of certification/recertification).
   ii) The first surveillance audit of any cycle is to be performed within six months following the initial Certification or Recertification decision date.
   iii) Each surveillance visit requires double the audit effort of surveillance visits under the previous semi-annual surveillance program (i.e. what was previously a one-day semi-annual audit visit now becomes a two-day audit visit - See Procedure 200 Version 4.1 Table 15 for details).
   iv) Each surveillance visit must now be semi-announced (See SAAS Procedure 200 Version 4.1 Clause 7.2.35 for details).
   v) A Social Fingerprint Independent Evaluation (IE) must be performed during every annual surveillance audit. (See Procedure 200 Version 4.1 Figure 2 for details).
   vi) A full technical and administrative review of each and every surveillance audit report must now be conducted. (See Procedure 200 Version 4.1 Clause 23.3 for details).

c) ***Additional (Mandatory) Follow-up Reviews:***
   i) Additional follow-up of each organisation's SA8000 performance (including follow-up review of the client's progress against previously raised non-conformities and other specified issues) SHALL occur at six-month intervals between annual surveillance audits. (See Procedure 200 Version 4.1 Figure 3 for details).
   ii) Typically (for those client organisations that demonstrate substantial conformance to SA8000 requirements), additional follow-up is conducted via remote communication channels. However, CBs are required to retain and exercise their right to conduct on-site follow-up of corrective action progress undertaken by clients to address outstanding 'Major' or 'Time-Bound' nonconformities (or other issues demanding on-site review).

d) ***Recertification:***
   i) The recertification audit visit is now scheduled to take place (approximately) 30 months after the initial certification date, allowing follow-up to occur prior to the expiry of the three year certification.

ii) Subject to meeting all requirements, the organisation is issued a new SA8000 certificate on the three-year anniversary.

e) *Successive cycles:* Visits take place on (at least) an annual basis in accordance with the above.

3) Benefits of Annual Surveillance Program

a) *Efficiency and effectiveness for certified organisations*

i) Promotes continuous management system improvement over 'quick fixes':
- SA8000 corrective actions, and gathering of evidence to support their effectiveness, are often long-term processes.
- 12-month planning and follow-up are more appropriate (than a 'quick fix solution' to present to auditor in 6 months).

ii) Better alignment with other annual management practices, thus allowing adequate time to strategically review and effectively address systemic issues:
- Including management review, financial reviews, budgeting, planning, etc.
- Better alignment with management practices for ISO 9001, 14001, 45000, OHSAS 18001 etc. Surveillance visits may be scheduled to coincide with other certifications held by the SA8000 certified organisation.

iii) More efficient and strategic use of certified organisations' management time:
- Top management needs to provide time to the audit process once per year, rather than twice per year.
- Reduce "constantly being visited with little or no value" auditee perception (i.e. auditee fatigue of substantially compliant organisations).

b) *Efficiency and effectiveness for auditors and certified organisations:*

i) Reduced CB audit scheduling, planning, and preparation time.

ii) Increased ratio of audit team investigation time compared to audit administration time. Additional and more flexible auditor investigative time will:
- Enable more 'tailored' planning to suit the risks of the situation.
- Improve audit effectiveness through increased sampling, evidence triangulation, and linkage of audit trails.
- Permit more thorough investigation of verbal allegations and circumstantial evidence.
- Conduct a more thorough follow-up of Social Fingerprint outcomes, Time-Bound Non-Conformities, and corrective actions undertaken.
- Increase opportunity to audit non-primary day shifts (e.g. night shift).

iii) Other related improvements to the system:
- Semi-announced audits further increase credibility of audit findings and improve CB efficiency.
- Mandatory follow-up reviews provide continued flexible and cost-effective CB-client engagement regarding the most significant aspects of SA8000.
- 'High-risk' companies are 'penalized' through increased oversight scrutiny level/frequency.
- Improved use of Social Fingerprint as a maturity model as SF IEs are performed at every surveillance audit.
- Organisation's Social Performance Teams (SPTs) are more involved and effective.

c) ***Promotes adoption of SA8000 certification***: More favorable marketing comparison versus alternative schemes. Timing will be more comparable to most "brand" and second party programs, such as BSCI/SMETA, which use annual audits and/or annual follow-up audits.