

Dear CB SA8000 Program Manager,

We hope you are all keeping well. Welcome to the first SAAS “Accreditation Issues Update” of 2024 (the prior update being October 2023). This official SAAS notification serves to keep you abreast of ongoing significant SA8000 Accreditation Program (and other) issues. Apologies in advance for the length of this update – there are quite a few housekeeping issues this month.

Contents

1. SAI Database	1
2. Hidden Issues / Risk Management Approach to Certification & Auditing	1
3. Living Wage Issues	2
4. Revised SA8000 Accreditation Agreement	3
5. SAI/SAAS Accreditation Requirements (Procedures)	3
6. 2024 SAAS Accreditation Oversight Operations	4
7. Market Surveillance Visits 2023/2024	4
8. SA8000 CB/Auditor Calibration 2024	4
9. IRIS Program – International Recruitment Integrity System	4
10. APSCA	4

1. SAI Database

Many thanks to all CB staff and auditors who took the time to attend SAI’s online Database Training Update seminar last week. We hope you found the subject matter helpful.

Starting with the 2024 CB Office/Management audits, SAAS auditors have been instructed to recognize and record any deviations from the expected use of the SAI Database as ‘Opportunities for Improvement’ (OFIs). Re-publication of SA8000 procedure 200 (Audit Requirements - see issue #5, below) will define further requirements for CB’s database interactions and records. Subsequently, SAAS auditors will be required, where appropriate, to cite database omissions and errors as ‘record keeping’ non-conformities. This change will likely occur in 2025.

Please continue to report any/all database reporting (and other) anomalies to Chris Lamoureux at SAI as soon as possible (CLamoureux@sa-intl.org) with a copy to Peter Scott (pscott@saasaccreditation.org). We wish to thank those CBs who have already forwarded anomalies and suggestions - SAI is working to respond to identified issues.

2. Hidden Issues / Risk Management Approach to Certification & Auditing

Continuing reports of child labour in the USA (links below) remind us all that a ‘routine’ approach to auditing (management system & indicator checklists and report templates only) has never been valid in the arena of evaluating social performance.

The articles provide continuing evidence that labour violations and abuses are particularly prevalent when labour is contracted-out to external individuals or companies and that such issues (for which social

auditors and social schemes are held accountable) are hidden from the immediate view of outsiders. Whether such practices are hidden deliberately, or inadvertently, it is the responsibility of CB management and auditors to audit and certify companies with these potential risks in mind. In planning and executing certification contracts and audits, CB staff are reminded to apply a precautionary audit approach to evidence presented during audits and to always explore the potential for those ‘unusual circumstances’ which could be indicators of adverse or ‘hidden’ labour infractions within contracted-out operations.

The SA8000 scheme requirements already contain numerous elements demanding that CBs and auditors effectively consider social performance risks (especially ‘hidden risks’) in the completion of their work. These include:

- *Initial Research (Procedure 200 paragraph 13.2);*
- *Audit planning and execution shall take into account all personnel both on-site and off-site, including temporary and contract labor and homeworkers (Procedure 200 paragraph 11.1.2);*
- *Stakeholder engagement (Procedure 200 paragraph 11.1.3);*
- *All shifts SHALL be audited during each Initial and Recertification Audit (Procedure 200 paragraph 11.1.4);*
- *Risk management approach (Procedure 200 paragraph 15.7.5);*
- *Confidential Worker Interviews – the purpose of worker interviews is to obtain information that may act as a signpost to issues that require further examination by the SA8000 auditor (Procedure 200 paragraph 15.8.4).*

We ask CB management, staff, and auditors to please ensure appropriate application of, and adherence to the risk-based principles underlying the above requirements. SAI and SAAS will continue to monitor the effectiveness of its own, and CB risk management programs, and will work with interested parties to seek scheme improvements.

<https://www.nytimes.com/2024/02/07/us/child-labor-us-companies.html>

<https://www.nytimes.com/interactive/2023/12/28/us/migrants-children-data.html>

<https://www.nytimes.com/2023/04/17/us/politics/migrant-child-labor-biden.html>

<https://www.nytimes.com/2023/02/25/us/unaccompanied-migrant-child-workers-exploitation.html>

3. Living Wage Issues

Living Wage Auditor Competence: SAI is working to revise ‘living wage’ expectations for companies claiming to conform to SA8000 requirements (8.1 “Wages shall be sufficient to meet the basic needs of personnel and to provide some discretionary income”). These will be published concurrent with the publication of the revised Standard. Until such time, either form of training below will be considered to fulfil the baseline for auditor competence:

- Completion of the current ‘SA8000 advanced course’; or
- Prior completion of one-time Living wage training module.

... for the reviewing team member.

Living Wage and TBNC interpretations: (Reiterating our October 2023 communication). Under the SA8000 certification scheme, it is not acceptable for auditors or certification bodies to assume that:

- a company’s adherence to national law or national collective bargaining agreements (or similar) is sufficient to assure that SA8000 requirements are being met.
- the absence of a legal minimum wage (as is the case in Italy) obviates a company’s responsibilities to meet some of the SA8000/SAAS requirements.

SAI & SAAS wish to make it clear that in all cases, SA8000 Audit Teams are required to verify and record payment of wages in accordance with SA8000 requirements.

4. Revised SA8000 Accreditation Agreement

SAI is in the process of implementing a revised accreditation agreement with each CB accredited for delivery of SA8000 certification. This 2024 version of the accreditation agreement replaces the 2017 (or any earlier) agreement under which accredited CBs have been operating. The principal change in the new agreement is to more formally define data management obligations for both the CB and for SAI. Additionally, the reaccreditation agreement will be valid for five years, rather than the current four year period*. Other minor updates have been made throughout the document to address current SA8000 scheme operational needs.

Over the coming weeks, CBs can expect to receive an individual notification regarding the revised agreement and how it may affect them.

** CBs that are due for reaccreditation in 2024 and the first half of 2025 will be unaffected by this change until the renewal activities are complete. CBs at earlier stages of the accreditation cycle (accreditation renewal currently due in July 2025 and beyond) will be requested to adopt the new agreement in lieu of the current agreement, thereby extending their current accreditation cycle by one year. Details will be provided to each CB individually.*

5. SAI/SAAS Accreditation Requirements (Procedures)

As previously communicated (and reflecting the introduction of the SAI database (Issue 1, above), to address the updated accreditation agreement (Issue 4, above) and the ever-changing expectations of interested parties), SAAS will be republishing all significant SA8000 scheme operational requirements in 2024.

- Procedure 200 – CB Audit & Certification Process Requirements (currently rev. 4.2 2020)
- Procedure 201A – CB Accreditation Requirements (currently rev. 1 2015)
- Procedure 201B – CB Competence Requirements (currently rev. 1 2015)

We realize that many changes will impact CB operations and are aiming to minimize the inconvenience by simplifying the structure and detail of requirements (where possible) and by republishing changes in close succession. When published, these changes will need to be reviewed and implemented within CBs’ own operational systems.

This advance notice is being given so that CB management may anticipate additional resources/effort to review requirements and appropriately incorporate changed processes with CB operations. We will be communicating further information and timeline expectations in Q2/2024.

6. 2024 SAAS Accreditation Oversight Operations

Each accredited CB should have received a 2024 SAAS Oversight Initial Notification from Lisa on (Friday, January 19). Expect to receive further details and assigned SAAS Lead Auditor contact information in the next couple of weeks. Most CBs will be contacted to establish a ‘Kick-Off Meeting’ by the beginning of March. If you have not heard from the SAAS Lead Auditor by early March, please reach out to the assigned SAAS Lead Auditor (cc Lisa Bernstein).

7. Market Surveillance Visits 2023/2024

SAI’s MSV program is progressing as planned and will likely be completed in Q2/2024. Thanks to all CBs and clients for your cooperation.

8. SA8000 CB/Auditor Calibration 2024

We have not yet finalized timing for the next ‘CB/Auditor Calibration’ sessions, however, these are likely to be during the second half of 2024 and expect to include face-to-face discussion, workshops etc. For the first time in 5 years, we anticipate 2-day in-person sessions in major markets. Watch for a further announcement in Q2, 2024.

9. IRIS Program – International Recruitment Integrity System

The next IRIS Auditor Training Program will take place in [New York 2024](#) (see web site for details). Note: this training course has recently been substantially revised to provide improved learning, not only for auditors, but also for all whose work is impacted by migrant labour risks.

IRIS and SAAS continue to seek audit companies (Certification Bodies) interested in carrying out IRIS certifications globally. We currently have demand in East Asia, South Asia, Africa and Central America. Further details of the IRIS program may be found on the [IRIS](#) and [SAAS](#) websites. Interested Audit Company managers should contact [John Brookes](#) for further information.

10. APSCA

SAI continues to support the APSCA goals and the organization’s auditor certification program.

As always, SAI and SAAS expect accredited SA8000 CBs that are APSCA signatories to meet APSCA’s scheme requirements, including the requirements for the use of CSCA auditors (APSCA scheme requirement Q4/2023).

As many of you are already aware, SAI continues to work with APSCA aiming to resolve remaining operational challenges. Consequently, both APSCA and SAI are very aware of the market conditions for SA8000 CBs and are committed to addressing them. APSCA has communicated that, at present, they desire CSCA usage transparency most of all. SAI recommends reaching out to APSCA to discuss any challenges your programs face with regard to SA8000 certification.