

ASI Certification Audit Report Oversight Assessment Procedure

Version 1 – 21 August 2018

1. PURPOSE

This procedure describes the internal oversight assessment processes carried out by the ASI Secretariat to review ASI Certification Audit Reports.

2. SCOPE AND APPLICATION

This procedure applies to the ASI Secretariat and ASI Accredited Auditors. It covers the review of all ASI Certification Audit Reports (as per the ASI Assurance Manual) in accordance with the ASI Certification Audit Report Oversight Assessment Procedure.

The oversight assessment aims to confirm that the ASI Accredited Auditor's:

- Audit methodology is consistent with the instructions to Auditors outlined in the ASI Assurance Manual
- Audit scope is compatible with the Entity's Certification Scope
- Audit conformance ratings including the Members' certification status reflects the audit methodology and scope.

The audit report oversight assessment process forms part of the ASI Oversight Mechanism which is designed and operated to align with the principles in the [ISEAL Code of Good Practice for Assuring Compliance with Social and Environmental Standards](#).

3. DEFINITIONS

Term	Definition
Accreditation Body	Organisations that accredit Conformity Assessment Bodies to ISO/IEC 17021, and/or ISO/IEC 17065 and/or other technical equivalent standard accreditation for conducting certification audits. Accreditation activities are conducted in accordance with ISO/IEC 17011.
ASI Accreditation	Recognition by ASI of a CAB's competence to carry out audits and evaluate conformance against an ASI Standard.
ASI Accredited Auditor	A Conformity Assessment Body and its Individual Auditors (employees and contractors) accredited by ASI to conduct ASI Certification Audits.
ASI Standards	ASI Performance Standard and ASI Chain of Custody Standard.
Audit	Assessment carried out by an independent third party ASI Accredited Auditor for the purposes of confirming conformance of an ASI Member with the ASI Standard/s. Audit types include Certification Audits, Surveillance Audits and Re-Certification Audits.
Audit Report	Report on the Audit generated by the Auditor and submitted to the Member and to ASI via the ASI Assurance Platform, <i>elementAI</i> . Note in cases where <i>elementAI</i> is unavailable, separate documents can be provided but these must meet the requirements outlined in sections 8.16, 8.17 and 8.18 of the Assurance Manual.
Board	ASI Board as defined in the ASI Constitution.

Term	Definition
Certification	An attestation issued by ASI, based on the results of a Certification Audit by an ASI Accredited Auditor, that the required level of Conformance has been achieved against the applicable ASI Standard and for the documented Certification Scope.
Certification Audit	A Certification Audit comprises the following: <ul style="list-style-type: none"> • A preliminary desktop review of a Member’s Self Assessment and other related information; • Development of an Audit Plan to identify the relevant Facilities and Business Activities to visit and assess; • Verification of conformance through implementing the Audit Plan; • Preparation of an Audit Report for the Member and ASI.
Certification Scope	The Certification Scope is defined by the Member and sets out what parts of a business, Facilities and/or Business Activities are covered by an ASI Certification. There are three possible approaches to Certification Scope: <ul style="list-style-type: none"> • Business Level: covers a whole Member company, a subsidiary of a Member or a business unit of a Member. • Facility Level: covers a single Facility or group of Facilities which are a subset of a Member’s total operations. • Program Level: covers a single identifiable Program or group of Programs.
Conformity Assessment Body (CAB)	Independent third party organisations accredited to carry out Certification Audits.
Individual Auditor	Auditors attributed to a CAB (as employees or contractors) accredited to conduct ASI Certification Audits with defined: <ul style="list-style-type: none"> • Geographic Scope • Aluminium Supply Chain Sectors • Discipline Knowledge in specific fields pertaining to the aluminium supply chain • Lead Auditor status.
Member	An entity or group of entities that is a current member of one of ASI’s six membership classes: <ul style="list-style-type: none"> • Production and Transformation (eligible for ASI Certification) • Industrial Users (eligible for ASI Certification) • Civil Society • Downstream Supporters • Associations • General Supporters
Oversight (ASI Oversight)	Assessment of a CAB’s and its auditor’s demonstration of competence to carry out certification audits. Note: <i>ASI Oversight</i> is the assessment of ASI Accredited Auditors demonstration of competence to carry out ASI Certification Audits by meeting the relevant mandatory requirements specified in <i>Schedule 2 ASI Accreditation Requirements for Conformity Assessment Bodies</i> and <i>Schedule 3 Competency Requirements for Auditors Conducting ASI Audits</i> , as it applies to the awarded ASI Accreditation Scope.

4. REFERENCES

- ASI Assurance Manual
- ASI Auditor Accreditation Procedure
- ASI Oversight Mechanism
- ASI Certification Audit Report Oversight Assessment Form
- ASI Public Audit Summary Report Template
- ASI Complaints Mechanism
- ASI Governance Handbook
- ASI Certification Audit Report Oversight Assessment Procedure
- ISEAL Code of Good Practice for Assuring Compliance with Social and Environmental Standards

5. PROCEDURE

5.1. Process Overview

1. The ASI Certification Audit Report Oversight Assessment process is summarised in the Table 1. It describes the checks to be conducted with reference to the requirements specified in the ASI Assurance Manual, as applicable.

5.2. Roles and Responsibilities

5.2.1. Director of Standards and Assurance

2. The ASI Director of Standards and Assurance (or a delegate appointed by the CEO) is responsible for:
 - Conducting the initial oversight review of each Certification Audit Report
 - Communicating aspects about the oversight assessment review with the ASI Accredited Auditor that has prepared the Certification Audit Report. This includes request for follow-up information or points of clarification arising from the oversight assessment
 - Determining whether the ASI Audit as described in the Certification Audit Report meets or does not meet the ASI requirements described in the ASI Assurance Manual
 - Identifying and recording opportunities to improve the ASI Assurance Model and other aspects of ASI's certification program.

5.2.2. Director of Learning

3. The ASI Director of Learning (or a delegate appointed by the CEO) is responsible for:
 - Confirming and checking that the oversight assessment conducted by the Director of Standards and Assurance has been carried out and completed in accordance with this Procedure
 - Identifying any other matters for follow-up or clarification by the ASI Accredited Auditor
 - Identifying and recording training and learning opportunities for Members and Auditors.

5.2.3. CEO

4. The ASI CEO (or a delegate appointed by the CEO) is responsible for:
 - Endorsing the Entity's certification status as per the ASI Accredited Auditor's outcomes documented in the Audit Report once the oversight assessment has been completed.
 - Approving the issuance of the ASI Certificate and any associated public communications about the Entity's certification status.
 - Reporting any material issues to the Board or significant improvement opportunities to the Board.

Table 1 Certification Audit Report Oversight Assessment Process Steps

Step	Description	Checklist
1. Completeness Check	Review the audit report in elementAI and ensure all sections have been completed.	<p>See audit report requirements and minimum table of contents in sections 8.16, 8.17 and 8.18 of the Assurance Manual. This includes all of the required details for the Public Audit Summary Report.</p> <ul style="list-style-type: none"> • Confirm that the required details for the Public Audit Summary Report are included. Conform that for each criterion, the Public Headline Statement includes a description of the conformance demonstrated, with a summary of the evidence reviewed. Where possible also check availability of related publically available information (e.g. published reports or data) or links to this information. <p>Review the Entity’s Certification Scope including:</p> <ul style="list-style-type: none"> • ASI Standard • Business, Facility or Product/Program including: <ul style="list-style-type: none"> ○ Name ○ Location ○ Supply Chain Activities • Changes to the Certification Scope since the previous audit • Expected changes to the Certification Scope during the certification period.
2. Audit Scope Adequacy	Confirmation that the Audit Scope is suitable and adequate for the Entity’s Certification Scope and supply chain activities.	<ul style="list-style-type: none"> • Were the facilities and activities included in the Audit Scope appropriate for the Entity’s Certification Scope (see section 8.5 in the Assurance Manual)? • Were the criteria in the Standard included in the Audit Scope appropriate for the Entity’s Certification Scope (see section 8.5 in the Assurance Manual)? • Which applicable criteria were excluded from the audit scope? Determine if the reasons provided for the NA rating are acceptable, taking into account the Entity’s Certification Scope and the Audit Scope (Refer to the Standard and the associated Guidance document).
3 Audit Team Experience and Competence	Confirmation that the Audit Team was suitably accredited and qualified for the Audit Scope.	<ul style="list-style-type: none"> • Confirm that the audit team leader and the audit team members are appropriately qualified and trained as per ASI accreditation requirements, for the audit scope? <ul style="list-style-type: none"> ○ Cross reference ASI Accreditation and training records about the ASI Auditor and Individual Auditors in elementAI

		<ul style="list-style-type: none"> ○ (also see section 8.6 in the Assurance Manual) ● Is the audit team collectively appropriately qualified and trained as per ASI accreditation requirements, for the audit scope? <ul style="list-style-type: none"> ○ For example, if the Entity was located in areas with local traditional land owners, did the audit team have access to knowledge about local customs and concerns of Indigenous Peoples? ○ Did the audit team have expertise to cover the significant risks (particularly hotspots) for the Entity’s supply chain activities (e.g. operating near sensitive biodiversity areas, or located in areas with local traditional land owners, etc) ○ Cross reference ASI Accreditation and training records about the ASI Auditor and Individual Auditors in elementAI ○ (Also see section 8.6 in the Assurance Manual) ● Was the audit team independent from the member and free of conflicts of interest?
<p>4. Audit Methodology and Evaluation of Findings Check</p>	<p>Review of approach and application of ASI Audit requirements specified in the Assurance Manual when evaluating findings.</p> <p><i>Note that the aim of this step is not to change or generate findings. This step checks and confirms that the findings have been properly evaluated in accordance with the ASI audit processes specified in the ASI Assurance Manual.</i></p>	<ul style="list-style-type: none"> ● Was the audit plan and duration appropriate for the Entity’s certification Scope? (See section 8.2 – 8.7 in the Assurance Manual) ● Were all parts of the audit plan completed as scheduled? ● Were there any unresolved conflicts, disputes or disagreements that affected the Audit Scope or objectives? ● Was the audit conducted in accordance with the requirements in the Assurance Manual (See section 8.9, 8.10, 8.14, 8.19 in the Assurance Manual) ● Was the sampling of objective evidence adequate for the audit scope in terms of the following? <ul style="list-style-type: none"> ○ Sites visited ○ Documents & records ○ Testimonial and interviewees ○ Activities observed ○ (Also see section 5.9 – 5.12 and Appendix 1 of the Assurance Manual) ● Was the audit plan and objective evidence sampled suitable for the significant risks in the Entity’s supply chain activities? For example: <ul style="list-style-type: none"> ○ Were Indigenous Peoples included among the interviewees if the Entity operates alongside Indigenous Peoples? ○ Were workers interviewed to verify understanding of the Entities policies and processes?

		<ul style="list-style-type: none"> ○ Were local authorities contacted about the Entities approval to operate near sensitive environments or communities? ○ Where relevant, was the audit planed with consideration to the views of local communities? ○ (Also see section 5.9 – 5.12 and Appendix 1 of the Assurance Manual).
<p>5. Audit Outcomes & Conclusions Check</p>	<p>Confirm that the Certification Audit outcomes are consistent with the requirements in the Assurance Manual.</p> <p><i>Note: This step is not to change or generate audit findings as this is not the role of the ASI Secretariat. This step serves to confirm that audit findings have been properly evaluated in accordance with the ASI audit processes specified in the ASI Assurance Manual.</i></p>	<ul style="list-style-type: none"> ● Confirm that the criteria were appropriately evaluated and rated based on the <u>published definitions</u> of Conformance, Minor NC, Major NC, etc (see sections 6 and 8.11 – 8.13). ● Conform that the audit report conclusions and certification outcomes have been derived correctly based on sections in the Assurance Manual. This includes: <ul style="list-style-type: none"> ○ Certification status (3 year certification, 1 year provisional Certification, etc) (see sections 3.4in the Assurance Manual) ○ Details of recognised certification schemes and parallel initiatives and conformation that the scope of these scheme is appropriate for the Entity’s Certification Scope, (see section 3.7 in the Assurance Manual) ○ Details of internal or other audit programs ○ Maturity Rating (see sections 5.4 – 5.7 in the Assurance Manual) ○ Next Audit type (see sections 3.4in the Assurance Manual)

5.3. Oversight Assessment Form

6. The ASI Certification Audit Report Oversight Assessment Form (the Form) shall be used to record the details of the oversight assessment.
7. Blank Forms are available in Box.
8. Note that it is planned to digitise the Form in elementAl. Once this feature is finalised (2018/2019), all oversight assessment details will be entered directly into elementAl.

5.4. Request for Follow-up Information and Clarification

9. Any *gaps, follow-up information or points of clarification* identified during the oversight assessment will be recorded and summarised on the Form.
10. These shall be communicated to the ASI Accredited Auditor that conducted the Certification Audit via email.
11. The request for information and/or clarification as communicated to the Auditor may result in:
 - Minor or significant changes or updates to the Audit Report to be carried
 - Changes to the overall audit outcomes (e.g. certification period, next audit type, status, etc)
 - Need for additional audit activities (e.g. more interviews, site sampling, etc.)
12. Request for follow-up information or clarification and any resultant changes or updates to the Audit Report and the audit outcomes shall be the responsibility of the ASI Accredited Auditor.
13. Replies and/or changes to the requests queries will be reviewed by the ASI Secretariat in accordance with the relevant parts of Step 1 (section 5.1). If further information or clarification is sought, steps 9 to 12 are repeated. Once the responses and/or changes are adequate, the oversight assessment is completed.
14. Communications and responses including additional documentation or revised audit reports shall be recorded in elementAl and Box, as appropriate, and noted on the Oversight Assessment Form.

5.5. Certification Communication and Announcement

15. Once the ASI Certification Audit Report Oversight Assessment has been completed, the CEO approves the Certification of the Entity based on Audit Report conclusions.
16. ASI public announcements associated with the Certification outcome must be approved by the CEO. The timing and content of the public announcements will be coordinated by the ASI Communications Manager in association with the related ASI Member.

6. RECORDS

Records associated with the Audit Report Oversight Assessment processes described in the Procedure, including the Audit Reports will be securely maintained in elementAl and Box by the ASI Secretariat for at least 10 years from the date the records were generated.

7. DOCUMENT CONTROL

Document Name	ASI Certification Audit Report Oversight Assessment Procedure
Document ID	ASI-PRO-5
Revision	Version 1 (Draft 1)
Publication Date	TBA
Approved By	CEO
Next Review Date	3 years or as required

Please refer to the ASI Website for the latest version of this procedure.