

Policy for Auditing Under Force Majeure Conditions

Textile Exchange places a high priority on the health and safety of standards system stakeholders and aims to ensure that our employees, contractors, and other system actors such as certification bodies and auditors can support certification activities in a safe manner.

Textile Exchange previously published *ASR-109 Auditing in Cases of Force Majeure* (February 2020) along with *ASR-109a Guidance: Auditing During the Covid-19 Pandemic* (March 2020) in response to circumstances that require modification to Textile Exchange standard auditing criteria. This policy (*ASR-109-V2.0 and subsequent versions*) combines these two guidance documents into a single policy for certification bodies and certified organizations facing *force majeure* conditions that require temporary deviations from Textile Exchange auditing criteria.

Textile Exchange acknowledges that disruptions to auditing timelines and schedules may be necessary in cases of force majeure. Textile Exchange does not require any auditor or other certification body personnel to travel or conduct business in ways that are in contradiction to recommendations from the World Health Organization, other UN agencies, or from national governments. Textile Exchange understands that some auditors may be subject to restrictions such as mandated quarantines or travel restrictions resulting from force majeure conditions. Limitations on regular auditing procedures may occur because organizations are shut down, because auditors are not able to travel to the organization's location, or because auditors are under quarantine restrictions.

Textile Exchange's intent is that both auditors and certification bodies follow all public health and travel restrictions or advisories, and that no certified organization will lose their certification due solely to auditing delays resulting from force majeure conditions. However, in exceptional cases, recertification may not be possible under force majeure conditions.

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Section A - Implementation and References

A1.1 The following implementation timelines apply:

A1.1.1 The *Policy for Auditing Under Force Majeure Conditions V2.1* replaces *ASR-109-V2.0 Policy for Auditing Under Force Majeure Conditions*, is effective July 1, 2024, and may be used immediately.

A1.1.2 All audits and assessment conducted on or after **October 1, 2024**, shall be conducted using the *Policy for Auditing Under Force Majeure Conditions V2.1*.

A2. Terms and Definitions

Refer to [*TE-101 Terms and Definitions for Textile Exchange Standards and Related Documents*](#) for definitions of terms used in these procedures. Defined terms are shown in italics in their first use in this document and further in the document for clarity.

A3. Reference Documents

A3.1 All *organizations* and certification bodies are subject to the criteria of the following documents and it is essential that they are used alongside this document. All can be found at TextileExchange.org/knowledge-center. Where a specific version of a document is referenced, this is to ensure clarity in referencing specific criteria and does not supersede mandatory implementation dates for future versions of the document.:

A3.1.1 [*ASR-101 Accreditation and Certification Procedures for Textile Exchange Standards*](#) (“ASR-101”);

A3.1.2 [*ASR-114 Audit Methods Policy*](#) (“ASR-114”);

A3.1.3 [*CCS-102 CCS Certification Procedures*](#) (“CCS-102”); and

A3.1.4 [*RAF-102 RAF Certification Procedures*](#) (“RAF-102”).

Section B - Identification of Force Majeure Conditions

B1. Definition

Textile Exchange defines *force majeure* as any unforeseen event or circumstance which disrupts normal business operations of any of the participants in the standards system and that result in recommendations or requirements from national governments, international agencies, private entities, civil society, or non-governmental organizations to cope with the situation until normal business operations can resume. Force majeure events or circumstances may result in:

- Loss of human life or threat to human life or safety,
- Loss of assets,
- Ceasing or restriction of production,
- Restriction of travel, and/or
- Blockage or restrictions to movement of products or materials in the supply chain.

Examples of force majeure events or circumstances include armed conflicts, disease outbreaks, terrorist attacks, and climate events such as droughts, fires, or floods.

B1.1 The below criteria shall be used to identify if force majeure conditions are present and therefore alternative *audit methods* and exceptions to standard criteria auditing may be used:

- B1.1.1** Public health directives have been issued by national or sub-national governments, or by the World Health Organization;
- B1.1.2** Travel restrictions or advisories have been put into effect by applicable national governments;
- B1.1.3** Closures or restriction to access premises are in effect, including switching the employees to work from home (excluding cases where *remote audits* are normally permitted);
- B1.1.4** *Organizations* have instituted bans on outside visitors, provided that there is no indication that the ban is in place to avoid an audit;
- B1.1.5** Reasonable health or self-isolation precautions are in place which are recommended for the organization's area at the time when the audit would occur;
- B1.1.6** Extreme atmospheric conditions have stopped or restricted the work of *farms*, factories, warehouses, and public infrastructure;
- B1.1.7** Security alerts are in effect in areas where human life is at risk; and

- B1.1.8** Animal disease outbreaks, when relevant to the scope of the audit (e.g. bird flu for RDS farm audits).

B2. Eligibility to Apply Policy for Auditing Under Force Majeure Conditions

- B2.1** This policy may be used for auditing globally when any of the criteria in B1.1 to designate force majeure conditions are met.
- B2.2** Each *certification body* should monitor the force majeure events impacting its operations and the operating conditions of its clients, including emerging force majeure conditions that could impact auditing in the future.
- B2.3** Upon identifying a case of force majeure which will impact auditing, the certification body shall use the criteria in Section C - of this policy to assist in completing the certification process without the need for an approved exemption. If the criteria are not sufficient, the certification body may request an exemption from Textile Exchange using the [Certification Body Exemption Request Form](#).
- B2.4** *Removed for V2.1*
- B2.5** For the purposes of managing standards system operating risks, this policy shall only be used if the certification body meets at least one of the following criteria:
- B2.5.1** Held *accreditation* (inclusive of a grace period) for the applicable *standard* at least 24 months prior to the use of this policy, and has conducted at least 50 audits within the specified accreditation scope
 - B2.5.2** Held accreditation for any Textile Exchange standard at least 24 months prior to the use of this policy, for audits covered by CCS accreditation scope (as defined in *ASR-101-V2.1*, Section B); or
 - B2.5.3** Limits auditing to medium or low risk sites (see sections D2 through D4), that do not have physical possession of *claimed material*.
- B2.6** Where an audit can be conducted without modification to auditing criteria, the certification body shall carry out audits without modification to auditing criteria.
- B2.7** RAF farm annual audits (i.e. that are not re-certification audits) should be deferred to later in the calendar year if doing so will likely avoid the need for a remote or hybrid audit.

NOTE: It is acceptable to conduct document review remotely when key portions of the audit (e.g. site tour, worker interviews) can be conducted on-site. See *ASR-114*.

Section C - Auditing Methods

C1. Auditing Method Alternatives

C1.1 For each affected scope certificate where auditing according to respective standard criteria is not possible, the certification body may apply one of the following options without requesting approval from Textile Exchange:

C1.1.1 Extension of *scope certificate* validity by up to 60 days (see D1);

C1.1.2 *Removed for V2.1; or*

C1.1.3 Completion of a hybrid or remote audit in place of an on-site audit according to the audit method criteria outlined in *ASR-114* and in accordance with D2 of this document.

C1.2 The certification body shall only apply more than one alternative auditing option listed in C1.1 for a specific scope certificate with an approved exemption from Textile Exchange.

C2. Certification Body Reporting Criteria

Procedures on Audit Methods

C2.1 *Removed for V2.1. See ASR-114.*

C2.2 *Removed for V2.1. See ASR-114.*

Records and Reporting

C2.3 The certification body shall maintain a record of all scope certificate numbers where the criteria of this policy are being used (per Section D -). Records shall include:

C2.3.1 The audit date;

C2.3.2 The auditing method alternative used; and

C2.3.3 The reason the alternative was needed (e.g. organization closed, restrictions on travel to the region).

C2.4 The certification body shall maintain a record of the details on each audit where exceptions are being used a minimum of seven calendar days before the audit, and of each extended scope certificate no more than seven calendar days after the extension is granted.

C2.5 The certification body's alternative auditing records and exceptions reporting may be periodically requested for submission to Textile Exchange.

- C2.6** The certification body is encouraged to proactively monitor force majeure situations and provide updates to Textile Exchange, including news of any emerging circumstances which may require exemptions to this guidance.

Section D - Exemptions to Auditing Criteria

Sections D and Section E - outline the permitted force majeure exceptions to auditing criteria where approval is not needed from Textile Exchange, unless specifically noted. These exceptions may be applied to the normal auditing process by the certification body without the approval of Textile Exchange if all the criteria are met.

Where the certification body needs an exception not listed in these sections to complete the certification process, the certification body may submit an exemption request using the [Certification Body Exemption Request Form](#) (see B2.2).

D1. Extensions to Scope Certificates

- D1.1** Scope certificate validity may be extended by up to 60 calendar days by the certification body (see C1.1.1) where the audit cannot be completed and finalized prior to expiry of the scope certificate, and where the need for the delay could not be reasonably anticipated.
- D1.2** *Removed for V2.1.*
- D1.3** Ongoing force majeure situations that extend beyond the 60-calendar day allowance in C1.1.1 (e.g. prolonged lockdowns or travel restrictions) shall not be considered sufficient justification to extend scope certificate validity. See C1.2.
- D1.4** When an organization whose scope certificate validity date was extended is recertified, the new scope certificate shall expire one year after the previous scope certificate's original expiry date (i.e. the scope certificate anniversary date does not change).
- D1.5** The certification body may choose to conduct a remote audit prior to extending the scope certificate but shall conduct an on-site audit prior to the expiry of the extended scope certificate.
- D1.6** The certification body shall record and report on the use of the certificate extension exception according to the criteria in C2.

NOTE: Appropriate justifications to extend scope certificate validity include, but are not limited to, a country or region which was previously open that is now restricting access to the organization's site, an outbreak of a contagious disease at the organization's site, or new travel restrictions.

D2. Audit Method Exceptions for Certified Organizations

D2.1 Where modification to auditing criteria is necessary to conduct an audit for a **certified organization** (i.e. for a recertification audit, or an RAF farm annual audit), the certification body shall assign a risk level for each site using the below criteria:

D2.1.1 Assign a risk level based on the criteria in *RAF-102-V2.2*, D2.4 for RAF farm audits (excluding storage subcontractors), or *CCS-102-V3.1*, D2.2 for all other audits;

D2.1.2 Increase the risk level identified in D2.1.1 from low to medium or from medium to high for any organization which had a reduction in auditing intensity under this policy the previous year (e.g. a hybrid audit instead of an on-site audit); and

D2.1.3 Increase the risk level identified in D2.1.1 from low or medium to high for any organization which had a reduction in auditing intensity under this policy for the two previous years.

D2.2 The certification body shall use Appendix A - to determine the possibility, frequency, and intensity of audits of certified organizations under force majeure conditions.

D2.3 Remote and hybrid audits shall meet the criteria of *ASR-114-V1.0*, Section C.

NOTE: Appropriate justifications to avoid a hybrid audit include locations where a local representative would not be permitted on-site to act as *audit facilitator* or remote areas where no suitable local representative who is able to go on-site to act as audit facilitator can be located. It is not sufficient justification for the certification body to not have a regional or in-country representative.

D3. Audit Method Exceptions for Initial Audits

D3.1 Where modification to auditing criteria is necessary to conduct an audit for an applicant organization or organization that wishes to add new sites, the certification body shall assign a risk level for each site based on the criteria in *CCS-102-V3.1*, D2.2.

D3.2 The certification body shall use Appendix A - to determine the possibility, frequency, and intensity of audits of applicant organizations under force majeure conditions.

D3.3 Remote and hybrid audits shall meet the criteria of *ASR-114-V1.0*, Section C.

D4. Auditing of Subcontractors

D4.1 **Independently certified subcontractors** shall be added to a scope certificate without any auditing by the certification body (see *CCS-102*).

- D4.2** **Associated subcontractors** shall be assigned a risk designation and the certification body shall determine if an audit is necessary based on *CCS-102*.
- D4.3** The certification body shall use Appendix B - to determine the possibility, frequency, and intensity of audits of associated subcontractors under force majeure conditions.
- D4.4** Remote and hybrid audits shall meet the criteria of *ASR-114-V1.0*, Section C.

Section E - Additional Exceptions

E1. Confirmation Visits and Unannounced Audits

- E1.1** Where there is a criterion for *unannounced audits* or *confirmation visits*, the certification body may cancel a proportion of the unannounced audits or confirmation visits equivalent to the proportion of the year where on-site audits are not possible in the applicable country. This criterion shall not be applied by the same certification body in the same country for more than two consecutive years.

EXAMPLE: On-site audits are not possible in a country for three months of a calendar year. The certification body may cancel $3/12 = 25\%$ of required unannounced audits and confirmation visits.

E2. Closure of Non-Conformities

- E2.1** If on-site verification is ordinarily required to close a non-conformity and is not possible, the certification body may evaluate the non-conformity remotely. This shall include video-based evidence and should include live video calling where an on-site audit would normally be needed to confirm conformity.
- E2.2** If a non-conformity cannot be closed by the due date because of restrictions on business activities or movement of people (see B1.1), or due to the unavailability of government functions (e.g. required permits are not being issued by a government authority) and the organization is currently certified to the standard, the following shall apply:
- E2.2.1** The certification body shall require the organization to prepare a corrective action plan which includes timelines relative to specific activities becoming possible;
 - E2.2.2** The certification body may close the non-conformity based on the corrective action plan, provided that the organization has taken reasonable actions towards closing the non-conformity, based on what is possible (e.g. confirming service providers); and

- E2.2.3** The certification body shall schedule a follow-up meeting with the organization to ensure that the corrective action plan is implemented per the agreed timeline in E2.2.1.

E3. Auditor Qualification

- E3.1** The following substitutions for the criteria in *ASR-101-V2.1*, D3.1.5 may be made in auditor training under force majeure conditions:
 - E3.1.1** *Removed for V2.1. See CCS-102-V3.1, D1.1.3.*
 - E3.1.2** *Removed for V2.1. See CCS-102-V3.1, D1.1.3.*
 - E3.1.3** *Removed for V2.1. See CCS-102-V3.1, D1.1.3.*
 - E3.1.4** *Removed for V2.1. See CCS-102-V3.1, D1.1.3.*
 - E3.1.5** Shadow audits to meet *ASR-101-V2.1*, D3.1.6.c (maintaining auditor qualifications) may be conducted remotely.

E4. Accreditation and Grace Periods

- E4.1** The accreditation body may conduct office assessments remotely.
- E4.2** The accreditation body may conduct shadow assessments for existing accreditation scopes remotely.
- E4.3** For initial assessments, the accreditation body shall conduct on-site shadow assessments unless all of the following conditions apply:
 - E4.3.1** The accreditation body cannot conduct on-site shadow assessments due to force majeure conditions (see B1.1);
 - E4.3.2** Technology including internet access is sufficient to allow the accreditation body to fully observe the audit; and
 - E4.3.3** The accreditation body does not have any concerns about conducting the shadow assessment remotely (e.g. due to complaints received about an applicant), and, following the assessment, believes the assessment to have been sufficient.

E5. Issuance of Transaction Certificates

- E5.1** The certification body may issue transaction certificates for shipments which occurred within 180 calendar days prior to or 180 calendar days after the start of the force majeure situation provided that a complete and valid application is received from the seller within 365 days of

the shipment date. See [ASR-104-V3.1 Policy for Transaction Certificates](#) (“ASR-104”), A8.3.3 for further details.

E5.1.1 In this case, the data field `tcDelayReason` shall be specified as “E” under *ASR-104-V3.1*, A8.3.4.

Appendix A - Risk Assessment and Auditing of Certified and Applicant Organizations

The certification body shall use this appendix to determine frequency and intensity of audits of certified organizations and applicant organizations under force majeure conditions. This appendix shall be used after assigning the risk level as specified in D2.1.

Audits shall meet the criteria outlined in *ASR-114 Audit Methods Policy*. The criteria of *CCS-102-V3.1 CCS Certification Procedures*, Appendix C may also be applied where they offer more flexibility.

NOTE: First assign the risk level using the risk assessment methodology within [CCS-102-V3.1 CCS Certification Procedures](#), Appendix B1 - Risk Assessment for Sites. Then find the risk level in the column of the table below to determine auditing frequency and intensity under force majeure conditions.

Organization Type	High Risk	Medium Risk	Low Risk
1. Certified Organizations			
1.1 Individual Farm, Farm Group, and Communal Farmer Group	a. Hybrid audit.	b.i. Hybrid audit where a hybrid audit is possible (i.e. on-site visit is feasible). Audit shall be conducted by a highly experienced lead auditor. b.ii. If a hybrid audit is not possible: <ol style="list-style-type: none"> 1. A written justification to conduct a remote audit instead of a hybrid audit shall be maintained and included in reporting to Textile Exchange according to C2.4; 2. A remote audit shall be conducted; and 3. A deferred on-site audit shall be scheduled within 60 calendar days of a deferred on-site audit becoming possible. 	c. Remote audit.

Organization Type	High Risk	Medium Risk	Low Risk
1.2 Farm Area	a. No exceptions allowed.		
1.3 Other Certified Organizations	<p>a.i. Hybrid audit where a hybrid audit is possible (i.e. on-site visit is feasible). Audit shall be conducted by a highly experienced lead auditor.</p> <p>a.ii. If a hybrid audit is not possible:</p> <ol style="list-style-type: none"> 1. A written justification to conduct a remote audit instead of a hybrid audit shall be maintained and included in reporting to Textile Exchange according to C2.4; 2. A remote audit shall be conducted; and 3. A deferred on-site audit shall be scheduled within 60 calendar days of a deferred on-site audit becoming possible. 	b. Hybrid audit, if a hybrid audit <u>can</u> be conducted. Otherwise, remote audit.	c. Remote audit.
2. Applicant Organizations			
2.1 Individual Farm, Farm Group, and Communal Farmer Group Applicant Organizations	a. No exceptions allowed.	b. Hybrid audit.	c. Remote audit.
2.2 Farm Area Applicant Organizations	a. <i>Not possible. See RDS-105 Policy for a Moratorium on Farm Area Certification.</i>		
2.3 Other Applicant Organizations	a. No exceptions allowed.	b. Hybrid audit.	c. Remote audit.

Appendix B - Risk Assessment and Auditing of Associated Subcontractors

The certification body shall **use this appendix to determine frequency and intensity of audits of associated subcontractors under force majeure conditions**. This appendix shall be used after assigning the risk level as specified in D4.2.

Audits shall meet the criteria outlined in *ASR-114 Audit Methods Policy*. The criteria of *CCS-102-V3.1 CCS Certification Procedures*, Appendix C may also be applied where they offer more flexibility.

Organization Type	High Risk	Medium Risk	Low Risk
<p>1. Associated Subcontractors already included on the scope certificate</p>	<p>a.i. Hybrid audit where a hybrid audit is possible (i.e. on-site visit is feasible). Audit shall be conducted by a highly experienced lead auditor.</p> <p>a.ii. If a hybrid audit is not possible:</p> <ol style="list-style-type: none"> 1. A written justification to conduct a remote audit instead of a hybrid audit shall be maintained and included in reporting to Textile Exchange according to C2.4; 2. A remote audit shall be conducted; and 3. A deferred on-site audit shall be scheduled within 60 calendar days of a deferred on-site audit becoming possible. 	<p>b. Remote audit, which may delay but shall not replace on-site/hybrid audits required by <i>CCS-102-V3.1</i>, Appendix C.7.b.</p>	<p>c. Remote audit, which may delay but shall not replace on-site/hybrid audits required by <i>CCS-102-V3.1</i>, Appendix C.7.c.i.</p>

Organization Type	High Risk	Medium Risk	Low Risk
2. Associated Subcontractors newly added to the scope certificate	a. Hybrid audit.	b. Remote audit, which may delay but shall not replace on-site/hybrid audits required by <i>CCS-102-V3.1</i> , Appendix C.7.b.	c. No exceptions allowed due to remote options in existing criteria and in 1.c above.