

# Policy for Auditing Under Force Majeure Conditions

Textile Exchange places a high priority on the health and safety of assurance 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 requirements. This policy (*ASR-109-V2.0*) combines these two guidance documents into a single policy for certification bodies and certified organizations facing *force majeure* conditions that require exemptions or audit method alternatives to Textile Exchange auditing requirements.

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 its certification due solely to auditing delays resulting from force majeure conditions.

## Section A - Implementation and References

**A1.1** The following implementation timelines apply:

**A1.1.1** The *Policy for Auditing Under Force Majeure Conditions V2.0* replaces *ASR-109 Auditing in Cases of Force Majeure*, and *ASR-109a Guidance: Auditing During the Covid-19 Pandemic*, is effective September 21, 2022, and may be used immediately.

**A1.1.2** All audits and assessment conducted on or after January 1, 2023, shall be conducted using the *Policy for Auditing Under Force Majeure Conditions V2.0*.

## 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

The following key documents are relevant to these procedures and it is essential that they are used alongside this document:

NOTE: This is not an exhaustive list.

- a. [ASR-101-V2.1 Accreditation and Certification Procedures for Textile Exchange Standards \(“ACP”\)](#);
- b. *ASR-114 Audit and Assessment Methods Policy*
- c. [CCS-102 CCS Certification Procedures](#); and
- d. [ASR-213 Materials, Processes & Products Classification](#)

# 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 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 may be used to designate force majeure conditions where alternative *audit* methods and exemptions for 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; And
- B1.1.7** Security alerts are in effect in areas where human life is at risk.

## B2. Eligibility for Force Majeure Exemptions

- 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 shall request an exemption from Textile Exchange using the [Exemption Request Form: Auditing Under Force Majeure Conditions](#).

- B2.4** Following approval of the exemption from Textile Exchange, the certification body may audit under this policy until the expiry date of the exemption or one month after the end of the formal restrictions, whichever is earlier. If necessary, an extension to the exemption may be requested using the [Exemption Request Form: Auditing Under Force Majeure Conditions](#).
- B2.5** For the purposes of managing assurance system operating risks, this policy shall only be used if the certification body meets at least one of the following requirements:
- 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 all of the following apply:
    - a. Has conducted at least 50 audits within the specified accreditation scope,
    - b. Has received a recommendation from the *accreditation body* that they be permitted to apply this policy, and
    - c. Has received approval to apply this policy from Textile Exchange.
  - 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 ACP 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 following the standard's criteria.
- B2.7** RAF farm annual audits (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 Audit and Assessment Methods Policy*.

## Section C - Auditing Methods

### C1. Auditing Method Alternatives

- C1.1** For each affected scope certificate where auditing according to respective standard requirements 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** Extension of scope certificate by an amount of time specified in the specific exemption (see D1); or
  - C1.1.3** Completion of a hybrid or remote audit in place of an on-site audit according to the audit method requirements outlined in *ASR-114 Audit and Assessment Methods Policy*.
- C1.2** If more than one alternative auditing option listed in C1.1 is needed for a specific scope certificate, the certification body shall request approval from Textile Exchange by using the [Exemption Request Form: Auditing Under Force Majeure Conditions](#).

### C2. Certification Body Reporting Requirements

#### Procedures on Audit Methods

- C2.1** The certification body shall maintain documented procedures for remote, hybrid, and deferred auditing and shall conduct auditor training on these auditing protocols. The procedures may be specific to Textile Exchange standards or may also cover the certification body's other programs.
- C2.2** The certification body shall provide Textile Exchange with a copy of its procedures for remote, hybrid, and deferred auditing to [assurance@textileexchange.org](mailto:assurance@textileexchange.org) prior to conducting remote or hybrid audits under force majeure conditions, or upon request by Textile Exchange.

#### Exemptions Records and Reporting

- C2.3** The certification body shall maintain a record of all scope certificate numbers where allowed exemptions in 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 exemptions 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 exemptions 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 a change in this guidance.

## Section D - Exemptions to Auditing Requirements

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

Where the certification body needs an exemption not listed in these sections to complete the certification process, the certification body shall submit an [Exemption Request Form: Auditing Under Force Majeure Conditions](#) (see B2.3).

### 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** Certificate validity extensions may be requested for extension periods beyond 60 calendar days by the certification body in cases where force majeure conditions remain in place for extended periods. The [Exemption Request Form: Auditing Under Force Majeure Conditions](#) shall be used for making such requests.

- 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. Justifications shall be supported by additional evidence published by government or health authorities or presented to Textile Exchange via the [Exemption Request Form: Auditing Under Force Majeure Conditions](#).
- 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 exemption according to the requirements 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 at the organization's site, or new travel restrictions.

## D2. Audit Method Exemptions 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 a 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 D2.2 of *CCS-102-V3.0 CCS Certification Procedures*; and
  - 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 remote initial audit** (i.e. the certification body has not been on-site for any Textile Exchange standard).
- D2.2** The certification body shall use Appendix A - to determine frequency and intensity of audits of certified organizations under force majeure conditions.
- D2.3** Audits shall follow audit method and assessment requirements outlined in *ASR-114 Audit and Assessment Methods Policy*.

NOTE: Appropriate justifications to avoid a hybrid audit include locations where a local representative would not be permitted on-site or remote areas where no suitable local representative who is able

to go on-site can be located. It is not sufficient justification for the certification body to not have a regional or in-country representative.

### D3. Audit Method Exemptions 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 D2.2 of *CCS-102-V3.0 CCS Certification Procedures*.
- D3.2** The certification body shall use Appendix A - to determine frequency and intensity of audits of applicant organizations under force majeure conditions.
- D3.3** Audits shall follow audit method and assessment requirements outlined in *ASR-114 Audit and Assessment Methods Policy*.

### 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 CCS Certification Procedures*).
- 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 CCS Certification Procedures*.
- D4.3** The certification body shall use Appendix B - to determine frequency and intensity of audits of associated subcontractors under force majeure conditions.
- D4.4** Audits shall follow audit method and assessment requirements outlined in *ASR-114 Audit and Assessment Methods Policy*.

## Section E - Additional Exemptions

### 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.

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), 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 ACP requirements (ACP D3.1.5) may be made in auditor training under force majeure conditions:
- E3.1.1** The auditor trainee may participate in training audits remotely, except as required by E3.1.2. This may be done when the lead auditor or an on-site representative is present on-site, or for fully remote audits. If the lead auditor is present on-site, measures shall be taken to ensure that the auditor trainee can observe all aspects of the audit.
  - E3.1.2** The auditor trainee shall participate in at least one on-site audit for full qualification, except where both of the following conditions apply. The auditor trainee may serve as the on-site representative in a hybrid audit to fulfill this criterion:
    - a. For CCS evaluation only (i.e. non-GRS secondary scopes); and

- b. If the auditor is qualified for and experienced with another ISO17065-based product certification supply chain/chain of custody standard.

- E3.1.3** A remote shadow audit may be conducted to qualify the auditor trainee to conduct remote audits. In this case, an on-site shadow audit is required before the auditor trainee is qualified to conduct on-site audits.
- E3.1.4** A hybrid shadow audit where the auditor trainee is present on site and the shadow auditor is remote may be conducted to qualify the auditor trainee to conduct on-site audits. In this case, an additional shadow audit where all participants are present on-site shall be conducted within six months of this becoming possible.
- E3.1.5** Shadow audits to meet ACP 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 public health directives or travel restrictions or advisories put into effect by applicable national governments (see B1.1.1 and B1.1.2);
  - 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.

## 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 using the risk assessment methodology within [CCS-102-V3.0 CCS Certification Procedures](#), Appendix B1 - Risk Assessment for Sites.

Audits shall follow audit method requirements outlined in *ASR-114 Audit and Assessment Methods Policy*.

	<p><b>First assign the risk level using the risk assessment methodology within <a href="#">CCS-102-V3.0 CCS Certification Procedures</a> Appendix B1 - Risk Assessment for Sites.</b></p> <p><b>Then find the risk level in the column in this table to determine auditing frequency and intensity under force majeure conditions.</b></p>		
Organization Type	High Risk	Medium Risk	Low Risk
<b>1. Certified Organizations</b>	<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"> <li>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;</li> <li>2. A remote audit shall be conducted; and</li> <li>3. A deferred on-site audit shall be scheduled within 60 calendar</li> </ol>	b. Remote audit.	c. Remote audit.

	<p><b>First assign the risk level using the risk assessment methodology within <a href="#">CCS-102-V3.0 CCS Certification Procedures</a> Appendix B1 - Risk Assessment for Sites.</b></p> <p><b>Then find the risk level in the column in this table to determine auditing frequency and intensity under force majeure conditions.</b></p>		
<b>Organization Type</b>	<b>High Risk</b>	<b>Medium Risk</b>	<b>Low Risk</b>
	days of a deferred on-site audit becoming possible.		
<b>2. Applicant Organizations</b>	<p>a.i. Hybrid audit to become certified if 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"> <li>1. A written justification shall be maintained and included on reporting to Textile Exchange according to C2.4;</li> <li>2. A remote audit shall be conducted; and</li> <li>3. A deferred on-site audit shall be scheduled within 60 calendar days of a deferred on-site audit becoming possible.</li> </ol>	b. Remote 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 using the risk assessment methodology within [CCS-102-V3.0 CCS Certification Procedures](#), Appendix B2 - Assessment of Associated Subcontractors.

Audits shall follow audit method requirements outlined in *ASR-114 Audit and Assessment Methods Policy*.

Organization Type	High Risk	Medium Risk	Low Risk
<b>Associated Subcontractors</b>	<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 and the subcontractor is already listed on the scope certificate, a written justification shall be maintained and included on reporting to Textile Exchange according to C2.4.</p>	b. Remote audit.	c. Remote audit.