

Audits and Certifications

“Audits are a picture in time, a snapshot of a company’s performance.” – Anne Manshot, [Can a picture say more than a thousand words? Examining the effectiveness of social compliance auditing.](#)

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Benefits and limitations of audits and certifications

Audits and certifications play a role in a company’s due diligence program and may help identify potential risks and opportunities for improvement. However, they are [not effective as stand-alone programs](#), and companies should be aware of their benefits and limitations. When conducted ineffectively or as the sole method of verification, audits may provide false confidence and mask unfavorable human rights and labor issues. Additional actions, such as triangulating data sources and engaging workers, are needed to surface potential risks to workers, to which companies may respond.

Audits and certifications may benefit and contribute to a strong human rights due diligence program in the ways outlined below.

Benefits

<p>Audits</p> <ul style="list-style-type: none"> • Confirm company compliance with a specific standard. • Bring social performance to the attention of management. • Lead to an internal report for management and sometimes other supply chain actors. • Provide a formal procedure to assess and help improve social performance. • Are particularly useful in assessing workplace health and safety conditions and reviewing documentation. 	<p>Certifications</p> <ul style="list-style-type: none"> • Ensure products meet social criteria in the recognized standard. • Communicate product and facility integrity to civil society and the seafood industry. • Improve company reputation and relationships. • Build trust within global supply chains. • Offer better knowledge of the fishery, farm, or raw input source. • Help satisfy demand by consumers.
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Companies should also understand the potential limitations and variability in the quality of social audits and certifications to [better identify risks of forced labor](#).

Limitations	
<p>Audits</p> <ul style="list-style-type: none"> • Audits only provide a “snapshot” of events at the time of the audit and therefore do not ensure consistent coverage of long-term conditions faced by workers. • Traditional audits capture only the voices of those most accessible in the supply chain and may miss potential violations occurring out of sight. It is possible for egregious abuses to be hidden, especially if labor violations occur in areas traditionally difficult for auditors to access, such as on fishing vessels. • Workers often lack trust with outside, third-party auditors and can be reluctant to expose workplace issues due to the lack of trust or clarity on the process/procedure for their complaint. Workers may choose not to disclose labor rights violations for fear of retaliation from management in the form of job loss, deducted wages, withheld documents, being blacklisted on the job market, and the threat of physical violence. • Audits may not consider the power imbalances between rights holders (i.e., workers or other people impacted) and auditors, which may prevent reporting and detection of issues. 	<p>Certifications</p> <ul style="list-style-type: none"> • Certifications often do not cover the entire supply chain. • Certifications often do not evaluate all potential social issues. • There is variability in the rigor, uniformity, and comprehensiveness of certification standards, as well as variability in the quality of an audit based on auditors’ training. • Certified products often reflect portions of supply chains that have undergone improvements and may not point to areas needing the most improvement (e.g., raw inputs for aquaculture feed).

Best practice when auditing or certifying

Strong audit and certification programs incorporate various practices, including comprehensive standards, highly trained third-party assessors, the incorporation of seafood worker perspectives, regular unannounced audits, and robust, effective grievance mechanisms. In addition:

- Audits may be conducted in a variety of ways, but should consistently assess legal compliance, working conditions, hours and wage records, health and safety conditions, and include confidential seafood worker interviews in a language the worker is comfortable speaking.
- It is critical that social audits include seafood worker feedback to help validate the data collected through records review and from management.
- It is imperative that there are processes in place to protect seafood workers' confidentiality and ensure they are safeguarded against reprisal for participating in audits.
- Companies should be prepared to handle issues and make a commitment to remediation if issues surface during the social audit process.

Best practices require audits and certifications to be considered as part of a comprehensive due diligence program that includes worker verification, effective grievance channels, and responsible recruitment. The practices outlined below may help to ensure that audits and certifications successfully capture working conditions.

Best Practice	Rationale
Evaluation of human and labor rights conditions	Social audits should evaluate the following: <ul style="list-style-type: none"> • Recruitment and hiring. • Contracts. • Document retention. • Wages and deductions. • Hours and overtime. • Threats of violence and intimidation. • Living conditions. • Grievance procedures. • Other social criteria important to a company.

<p>Worker representation and participation</p>	<p>Audits should be confidential, and input from workers should be requested for all portions of seafood supply chains, including at-sea. It is imperative that worker respondents be safeguarded against reprisal.</p> <p>Auditors should ask whether workers have a process for the following:</p> <ul style="list-style-type: none"> ● Raising concerns/grievances. ● Filing complaints. ● Seeking and verifying resolution for disputes. ● Accessing all relevant documentation. <p>Certification programs and audits should include worker engagement only if there is a mechanism for ensuring the safety and security of workers against reprisals.</p> <p>Worker engagement through audits may occur through:</p> <ul style="list-style-type: none"> ● Confidential interviews. ● Assessment and impact surveys. ● Involvement in developing corrective action plans.
<p>Third-party audits</p>	<p>To avoid any possibility of audits being influenced by company pressures, it is recommended that audits are conducted by third-parties to ensure objective, impartial results. Third-party auditors should be experienced with taking a victim-centered approach and demonstrate interview techniques reflecting that approach.</p>
<p>Timing and consistency of audits</p>	<p>Audits should be conducted at regular intervals and incorporate worker-voice mechanisms (such as any available technology facilitated data). Also, auditors should conduct periodic unannounced visits to create the conditions for the highest level of transparency.</p>
<p>Auditor training</p>	<p>Audits should be conducted in-person, and auditors must undergo extensive training before conducting an assessment and continue to receive updated training on identifying human rights abuses to ensure audits are thorough.</p> <p>Auditor training should include identifying and understanding:</p> <ul style="list-style-type: none"> ● workplace health and safety risks. ● verifying legal compliance. ● cross-checking wages and working hours local labor laws, and company codes of conduct. ● availability of grievance mechanisms that workers report are effective and timely.

<p>Confidential worker interviews in workers' language</p>	<p>Confidential interviews with workers in the workers' language(s) are a best practice to generate the most conducive conditions for workers to report on their circumstances openly. Interviews can be done in groups or individually, formally and informally, with sensitivity. It is important to ensure worker protection from retaliation.</p> <p>If worker protection from retaliation cannot be ensured—recognizing that retaliation may occur days or weeks after an audit is completed—then workers should not be directly engaged by auditors. All interviews should include clear, informed consent procedures, including the option to terminate the interview at any time. Further, strict data security protocols should be in place to protect worker data.</p>
<p>Cross-checking information</p>	<p>Auditors should interview a variety of managers or facility heads, ask about labor recruitment practices and employment conditions, and compare this information to worker interviews and cross-check with paper records, e.g., payroll, contracts, etc.</p>
<p>Assessments of labor providers in supply chains</p>	<p>When companies cannot conduct direct recruitment, they need to ensure that labor recruiters meet legal requirements and monitor recruiter performance.</p> <p>Companies should map their labor supply chains and engage selected recruitment agencies in accreditation schemes, where available, to improve their understanding and capacity to bring on workers recruited ethically.</p> <p>Companies should also work with trusted frontline NGOs to periodically validate findings and ensure that workers are not charged illegal fees. Additionally, audits may assist companies in determining recruiter compliance against company codes of conduct.</p> <p>Auditors should verify labor recruitment practices and employment conditions from company policies and records, comparing information to worker interviews.</p> <p>Auditors should assess subcontractors, including parties responsible for hiring and payroll, and other third-party recruitment and employment agencies.</p>
<p>Documentation review</p>	<p>Auditors should review documents, including contracts, migrant worker lists, recruitment policies, and grievance reports as part of the auditing process.</p>

Each seafood industry has its particular nuances with regard to audits and compliance:

- For example, compliance for vessels may require unique strategies compared to those for processing facilities or farms.
- When conducting social audits, working with third-parties that understand the particular social responsibility challenges within the supply chain being examined (whether it's a region, environment, or type of facility) will help strengthen the relevance of the findings.

Auditors should be trained in human rights and how to conduct social compliance audits. If the auditor is auditing to a particular social standard, they should be accredited in that standard. More broadly, auditors participating in the [Association of Professional Social Compliance Auditors \(APSCA\)](#) will be better suited to identify worker-raised issues while supporting worker privacy.

For audits and certifications to be a credible part of a social responsibility program, they must also include on-the-ground verification of information, preferably by workers or worker organizations. For more about receiving information from workers, see RISE guidance on [grievance](#), [remediation](#), and [other processes](#) driven by, or designed specifically to support, seafood workers.

The tools below provide support for companies seeking to conduct social audits as an element of their overall due diligence program.

Verité Fair Hiring Toolkit

- [Conduct a Review of Documentation.](#)
- [Guidance for the Social Auditing of Forced Labor and Human Trafficking of Migrant Workers.](#)
- [Strengthening Assessments and Social Audits.](#)
- [Conducting Interviews with Managers.](#)
- [An Introduction to the Fair Hiring Toolkit for Social Auditors and Certifiers.](#)

Walk Free Foundation

- [Questions to Ask During an Audit to Identify Labor Violations.](#)
- [Example Questions to Ask Employees During a Social Audit.](#)

Seafood Task Force

- [Vessel Auditable Standards](#) contain information to determine compliance with the Seafood Task Force Code of Conduct in audits.

Leveraging seafood certifications with social components

Companies may use social and seafood certifications that include social components as a tool to improve the social responsibility of seafood products. It is important for businesses to understand the components of a social certification when choosing which program to adopt.

Evaluating certification programs

Companies may use social and seafood certifications that include social components as a tool to improve the social responsibility of seafood products. It is important for businesses to understand the components of a social certification when choosing which program to adopt. Robust certification programs incorporate a variety of due diligence mechanisms, including comprehensive standards, highly trained third-party auditors, seafood worker interviews, unannounced audits at regular intervals, robust

and effective grievance mechanisms, and requirements for making improvements to practices as needed.

The [ISEAL Alliance](#) may be a helpful reference for companies seeking to differentiate between certification programs. ISEAL represents best certification practices, and any member must meet a demanding accreditation process.

The seafood-specific social benchmark tool created by [Global Seafood Sustainability Index \(GSSI\)](#) in [collaboration with the Sustainable Supply Chain Initiative \(SSCI\) of The Consumer Goods Forum \(CGF\)](#), may become a valuable resource for seafood companies specifically looking to research different audit and certification options. Once published, the benchmark will consider the specificities of seafood harvest and processing within the audit and certification space.

As a best practice, companies should take time to understand the components addressed by a certification's standard and the parts of the supply chain that it covers. No certification alone can provide the supply chain information a company needs for robust due diligence, so a company will also have to identify the additional mechanisms for verification and enforcement that should be conducted.

See: RISE: [Seafood Certifications: Seafood Certifications with Social Elements and Certification Initiatives](#).

Compliance beyond social audits and certifications

Social audits are an important tool for due diligence. It is critical for companies to adopt a multi-pronged approach to identifying supply chain conditions in order to best understand the labor rights challenges that seafood workers may experience. Communication channels outside of audits may provide seafood workers safe methods to report on their conditions and reduce the potential for negative consequences or reprisals.

- Companies should implement worker voice channels, which include gathering data from seafood workers themselves and establishing robust, safe, and effective grievance mechanisms. [Worker voice channels should be credible, independent, and linked to remediation](#).
- Third-party service providers need to offer strong ethical practices and perform risk assessments to ensure no harm is done via the collection of social audit data.
- Companies should seek to promote supply chain transparency by disclosing the location of their suppliers and associated certifications, and by reporting publicly on working conditions.

Companies should regularly evaluate and report the effectiveness of current efforts. In doing so, they can move [beyond a reliance on social audits](#) to build robust and effective social responsibility programs of which audits are only one part.

The tool below is for companies that seek to move beyond traditional social audits and build robust and effective social responsibility programs.

Shift: [From Audit to Innovation: Advancing Human Rights in Global Supply Chains](#).

This report explores innovative models used by leading companies who report their effectiveness as a



basis for further analysis and evaluation. It begins by identifying 10 leading trends and elements that form a new generation of social compliance programs for supply chains. It then offers four company case experiences, providing more depth of detail, and highlighting approaches that combine many of the elements identified above to address complex social performance challenges in supply chains.