

## Chain of custody auditing of PEFC certified companies affected by restrictions due to COVID-19 – guidance

Version 7 (25/02/2021)

### Document revision status

| Version | Date       | Changes/amendments   |
|---------|------------|--|
| V 4     | 21/03/2020 | <ul style="list-style-type: none"> <li>• Change of the rule concerning extension of certificate validity</li> <li>• Specification for the internal audit programme in multi-site certifications</li> </ul>   |
| V 4.1   | 24/03/2020 | <ul style="list-style-type: none"> <li>• Correction of a mistake in the reference concerning internal audit in a multi-site organisation</li> <li>• Deletion of clause 4 B since it's a wrong copy-paste duplication</li> <li>• Amendment of rules for adding of new members</li> </ul>  |
| V 4.2   | 31/03/2020 | <ul style="list-style-type: none"> <li>• Editorial corrections</li> </ul>  |
| V 4.3   | 14/04/2020 | <ul style="list-style-type: none"> <li>• Time period for an additional surveillance audit in case of a validity extension is extended to six months</li> <li>• Limitations for remote surveillance audits are adjusted, a risk analysis explicitly required</li> <li>• In case that a remote surveillance audit is not possible the period for postponement is extended to six months</li> </ul> |
| V 5     | 25/05/2020 | <ul style="list-style-type: none"> <li>• Further specifications for certification bodies' policy and process to conduct audits remotely, including reporting to PEFC on request</li> <li>• Permission to undertake remote initial audits</li> <li>• Dedicated chapter for re-certification audits</li> </ul>   |
| V6      | 21/01/2021 | <ul style="list-style-type: none"> <li>• Include hybrid audits where an auditor or technical expert is on site and the audit team leader is at a remote location.</li> </ul>   |
| V7      | 25/02/2021 | <ul style="list-style-type: none"> <li>• Extension of the deadline for auditors to meet the minimum number of annual audits for the year 2020 to 31 March 2021.</li> </ul>   |

## Background

Due to the spread of COVID-19 worldwide, travel and medical restrictions are affecting auditing activities. In order to give some flexibility to certification bodies and certified companies affected by the disease, PEFC is issuing the following guidance.

The main methods to ease the consequences of travel restrictions are the implementation of remote audits, and where this is not sufficient, the extension of time periods affecting the certificate. This guidance is based on IAF documents and the recently revised PEFC requirements for certification bodies operating chain of custody audits: PEFC ST 2003:2020.

This guidance enters into force and can be applied by certification bodies from the day of its publication (10/03/2020) and is applicable until PEFC Council revokes the guidance.

## Reference documents

PEFC ST 2003:2012, Requirements for Certification Bodies operating Certification against the PEFC International Chain of Custody Standard

PEFC ST 2003:2020 Requirements for Certification Bodies operating Certification against the PEFC International Chain of Custody Standard

IAF Informative Document on the Management of Extraordinary Events or Circumstances Affecting ABs, CABs and Certified Organizations (IAF ID 3: 2011 - Issue 1)

IAF Mandatory Document for the Use of Information and Communication Technology (ICT) for Auditing/Assessment Purposes (IAF MD 4:2018 - Issue 2)

ISO 19011:2018 Guidelines for auditing management systems

## Guidance

### 1 General procedures for the application of the specific rules of this guidance

- A. The certification body shall establish a documented policy and process, outlining the steps it intends to take in case that a certified organization is affected by the COVID-19 event. The policy and process can cover either an affected organization itself e.g. a manufacturing plant forced to curtail activities due to the risks to the workforce, or clients of such an organization, forced to adjust its supply chain dynamics.
- B. This documented policy and process shall:
  - a) Include an assessment of the risks of starting or continuing certification.
  - b) Consider the technological and operational resources required to conduct the audit remotely both at the certification body and at the certificate holder level. The technological resources shall be based on the use of ICT tools in accordance with IAF MD 4.
  - c) Consider the qualification and competencies at personnel level (knowledge, training, etc.) required to conduct the audit remotely both at the certification body and at the certificate holder level
  - d) Ensure confidentiality regarding data and information flow, management, protection and treatment, according to any applicable legislation.
- C. Each case shall be evaluated and documented by the certification body to provide evidence whether, and to what extent, the certified organization is affected by the COVID-19 event.
- D. The assessment of the risks of starting or continuing certification and the decision made shall be conducted and documented for each case according to the certification body's policy and process.
- E. The certification body also needs to consider the risks related to cases where planning/conducting of a full onsite audit is not easy because reaching the organization's premises may be difficult or inadvisable for the auditor (e.g. restrictions because of national or local rules, health risks, flight cancellations, etc.) and consider if it is suitable a hybrid audit, where an auditor or technical expert is on site and the audit team leader is at a remote location.
- F. These dispositions only apply to companies which are affected by the COVID-19 event, according to the evaluation conducted by the certification body. They do not apply in any other case.
- G. As soon as travel and medical restrictions are lifted, audits shall be conducted as per the applicable standard and any other applicable procedures.

## 2 Initial audits

- A. Initial audits can be conducted hybrid or remotely whenever the certification body's assessment of the certification activities according to its policy and process demonstrates that a credible audit can be conducted hybrid or remotely. The next surveillance audit should take place on-site or hybrid.
- B. For client organisations that operate without physical possession, the next surveillance audit does not need to take place on-site or hybrid, if the certification body can demonstrate that the full scope of the audit can be covered using ICT tools in accordance with IAD MD 4.

## 3 Surveillance audits

- A. The full on-site surveillance audit may be replaced by hybrid audit or other audit techniques, such as documentation and records review, where:
  - a. the certification body can justify that the audit techniques used deliver sufficient confidence in the certified entity's compliance with the certification criteria and potential risks of not carrying out the audit on site are identified and mitigated; and
  - b. no nonconformity was raised during the previous initial, surveillance or recertification audit or the corrective action for the nonconformity can be clearly verified by other audit techniques; and
  - c. the client organisation provides the certification body with all the records required to be kept by the Chain of Custody standard or a list of all the records that allow the certification body to establish an independent sampling. If the surveillance audit cannot be replaced by other audit techniques according to 3 A of this document, the surveillance audit can be extended by a period of no more than six months, which should then be reviewed as the six-month period comes to an end, based on the current travel and medical advice.

## 4. Re-certification audits

- A. For client organisations that operate without physical possession of forest and/or tree based products, re-certification audits may be conducted remotely with the use of ICT tools in accordance with IAF MD 4, if the certification body can demonstrate that the full scope of the audit can be covered using ICT tools.
- B. For cases where client organisations with physical possession of forest and/or tree based products that have not procured forest and tree based material and have not sold any product with a PEFC claim since the last audit, rule 4 A of this document may apply.
- C. For recertification audits for which requirement 4 A and 4 B of this document is not applicable and it is not possible to perform hybrid audits, the validity of certificates may be extended by a period of no more than 12 months, which should then be reviewed as the 12-month period

comes to an end, based on the current travel and medical advice. If the validity of the certificate is extended by more than six months (based on the original validity of the certificate), another surveillance audit according to this guide needs to be carried out.

- D. Once the travel and medical restrictions are lifted (as stated on chapter 1, G of this guidance document), for any re-certification audit which does not take place the certificate shall be suspended.

## **5 Multi-site organisations**

### **5.1 Internal audit programme**

For an internal audit in a multi-site organisation the following rules apply:

- A. The on-site internal audit may be replaced by hybrid audit or other audit techniques, such as documentation and records review where:
  - a. the internal auditor can justify that the audit techniques used deliver sufficient confidence in the certified entity's compliance with the certification criteria; and
  - b. no nonconformity was raised during the previous initial, surveillance, recertification or internal audit or the corrective action for the nonconformity can be clearly verified by other audit techniques; and
  - c. the multi-site members provide the internal auditor with all the records required to be kept by the Chain of Custody standard or a list of all the records that allows the certification body to establish an independent sampling.

### **5.2 Adding of additional sites**

Additional sites may be added either during surveillance or re-certification audits or under specific conditions between audits.

- A. Adding of sites during a surveillance or re-certification audits: In this case requirements for initial, re-certification and surveillance as described in clause 2, 3 and 4 of this document apply in the multi-site context.
- B. Adding of sites between audits: Additional sites may be added by the certification body to an existing certificate between audits provided it is within the scope of the certificate. The number of sites that may be added between audits is limited to 100% of the existing sites at the previous audit. The following requirements shall be met:
  - a. The certification body shall be informed by the client organisation in advance of the client organisation's desire to add new sites between audits to be covered by the chain of custody certificate and shall be provided with the number of sites.
  - b. The certification body shall obtain from the client organisation the chain of custody procedures covering the additional sites, including the applied chain of custody method and the products covered by the chain of custody.

- c. The certification body shall obtain the internal audit report for the site(s) being considered for inclusion in the certificate.
- d. The certification body shall review results of the internal audit and determine if additional information is needed while considering the request of the client organisation.
- e. Based on the result of the review in (d), the certification body shall determine if an on-site audit of the additional site(s) is required or if the review as per (b), (c) and (d) shows sufficient evidence that the sites can be added.
- f. If an on-site audit is not required before adding the additional site(s) to the chain of custody certificate, these new site(s) shall be subject to on-site visit no later than the next scheduled audit.
- g. The certification body may determine whether a sample of the new sites is required, following PEFC's normal sampling requirements.

## **6 Verification of corrective actions**

- A. Corrective actions for open nonconformities can be verified by hybrid audits or other audit techniques than on-site verification, if the certification body have assurance that these other techniques show sufficiently clear evidence to conduct the verification.
- B. If corrective actions for open nonconformities cannot be clearly verified by hybrid audits or other audit techniques, the following rules apply:
  - a. For suspended certificates, the suspension shall be prolonged until the verification of corrective actions can take place. The lack of verification of the corrective actions because of restrictions linked to COVID-19 shall not lead to the withdrawal of the certificate.
  - b. For valid certificates which have corrective actions pending to be verified, the verification deadline may be extended by a period of no more than six months, which should then be reviewed as the six-month period comes to an end, based on the current travel and medical advice.

## **7 Informing PEFC**

- A. The certification body shall immediately inform PEFC of any changes affecting a certificate.
- B. On request, the certification body shall provide PEFC with a copy of its policy and process, and/or the assessment conducted, and the decision made for a specific case."

## **8 Maintaining the qualification of auditors**

- A. The deadline for auditors that have not performed the minimum number of annual audits for the year 2020, due to COVID-19, is 31 March 2021.