

ASSURANCE MODEL SYSTEM REVIEW

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1. Introduction

BCI is committed to ensuring the continued effectiveness and integrity of its assurance model through periodic system reviews. Assurance System Reviews occur at planned intervals at least every 3 years. An Assurance System Review consists of a comprehensive review of the entire assurance model, its implementation, and its role in the Better Cotton Standard System, based on feedback from an external body.

At the core of the Assurance System Review is external oversight on the assurance model. Oversight activities are conducted by an independent body contracted by BCI. The oversight mechanism serves to determine the consistency of assurance across the standard system, assess the competence of assurance providers, and identify challenges and areas for improvement in the assurance model at large. BCI responds to these findings by conducting further internal assessment, implementing corrective actions, and reviewing its risk assessment and management plan to facilitate improvements in its assurance model.

The influence of the Assurance System Review goes beyond improving the design and implementation of the assurance model itself. The Assurance System Review also guides BCI's strategic decisions on how the assurance model can better support the success of the Better Cotton Standard System in reaching its goals, and the fulfilment of BCI's mission.

2. Oversight mechanism

The external oversight component of the Assurance System Review consists of 3 core activities, which function as BCI's oversight mechanism:

2.1 Desk Analysis: The independent body evaluates the effectiveness of each step in the assurance process and conducts an analysis of the management system for licensing decisions. The desk analysis uses information obtainable from self assessments, Readiness Checks, Licensing Assessments, and Surveillance Assessment reports. The analysis includes, at a minimum:

- i. Review of adherence to internal assurance protocols, including consistency in record keeping
- ii. In-depth monitoring of a specific issue across a sample of Licensing Assessments, to determine the consistency of assurance
- iii. Examination of the identification of non-conformities, and the findings of follow-up processes on remediation

- iv. Review of a sample of reports for each assessment type, to assess the quality of reporting and determine whether each mechanism is fulfilling its functional role in the assurance process.

The desk review includes an analysis of any deviations from internal protocols, indications of insufficiently justified or partial decision-making, and of any failure to sufficiently follow up on non-conformities identified. This analysis informs recommendations on system improvements.

2.2. Review of Information on Verifier Performance: The independent body reviews performance metrics recorded for 3rd party verifiers, as well as shadow visit reports maintained at country level. The review allows the independent body to identify common strengths and weaknesses in verifier performance, and to understand the level of consistency in performance levels across countries. The information also helps the independent body identify areas of focus for the external assessor interviews.

2.3 Assurance Provider and External Assessor interviews: The independent body conducts interviews with Programme Officers and Coordinators/ Strategic Partners, 3rd party verifiers, and Assurance Managers. Interviews assess how well each actor understands their role in the Assurance Programme, how assessors approach the different components of Licensing Assessments, how decisions on non-conformities are made, and how assurance providers use information from Licensing Assessments to inform licensing decisions. The findings of the interviews are included in the report.

2.4 Implementing Partner interviews: The independent body conducts interviews with representatives from Implementing Partner organisations. Interviews focus on how IP representatives approach the Set-up phase, how they conduct each aspect of the Readiness Check and monitor the implementation of improvements, how they determine when a PU can be recommended for licensing, and how they support PUs to achieve Continuous Improvement during the licence period.

2.4 Shadow Assessment: The independent body conducts shadow assessment of a sample of 3rd party verifiers and Programme Officers and Coordinators/Strategic Partners. This exercise may include both on-site shadow assessment and/or the witnessing of remote verification processes. The shadow assessment provides an appraisal of how the assurance provider or verifier conducts Licensing Assessments (conducting interviews with farmers, workers, documentation review, interview with management, visual inspection of the farm, etc.). The findings of shadow assessment are included in the report and written feedback and a corrective action plan are provided to each verifier or Programme Officer, Coordinator /Strategic Partner selected.

2.5 Review of Overall System Performance: The independent body analyses the linkages between different actors and processes comprising the BCI Assurance Programme, in order to identify strengths and weaknesses in the effectiveness and functionality of the system as a whole, including the role of the S&A Team in conducting internal oversight. This component will analyse any risks to the system's credibility, any potential inadequacies in relation to best practices in assurance (ISEAL Assurance Code in particular), and guide BCI's strategies to reinforce its model and mitigate those risks.

3. Internal Assessment and Follow up actions

BCI uses the results of the independent oversight mechanism to improve its assurance model, and conducts follow up internal assessment to ensure an in-depth understanding of any gaps or challenges indicated. Internal assessment activities include, at a minimum, consultation with BCI's Global Assurance Team, Global Operations Team and Implementing Partners.

In response to the findings of oversight activities and internal assessment, BCI is committed to:

- i. Taking Corrective Actions to manage any non-conformities in the operation of the Better Cotton Assurance Model
- ii. Reinforce or improve its internal and external training activities as required.
- iii. Undertaking a review and potential revision of the risk assessment and management plan to assess its continued applicability and to update both the prioritisation of risks and the strategies used to mitigate those risks.
- iv. Taking preventive actions to minimize non-conformities in the operation of the Better Cotton Assurance Model.

The above activities will be based on recommendations made in the system review, and any substantive changes will be agreed with the BCI Council. The BCI Council is responsible for monitoring and enforcing the implementation of the above activities and any agreed substantive changes to the Better Cotton Assurance Model.

BCI maintains a record of any corrective actions taken as a result of the Assurance System Review.

4. Competence requirements of the Oversight Body

BCI drafts a ToR for the contracting of an independent body to complete the oversight component of the Assurance System Review. Any independent body contracted to perform oversight must demonstrate at a minimum the following competencies:

- i. A good understanding of the Better Cotton Standard System and its intent, and an understanding of the mission and goals of the Better Cotton Initiative
- ii. An understanding of the particularity of the BCI approach to Assurance
- iii. Competence to review BCI assurance protocols and practice
- iv. Competence to review group level assessment
- v. Competence to conduct interviews with assurance providers
- vi. A solid understanding of the requirements of the ISEAL Assurance Code