

ASSURANCE CODE SYSTEM REPORT



Responsible
Jewellery
Council

Assurance Code System Report - Responsible Jewellery Council 2016

This document has been drawn up as part of the RJC’s ISEAL Alliance compliance requirements, against the ISEAL Assurance Code of Good Practice. This document summarises the RJC’s assurance system, highlighting some planned areas for improvements.

Contents

Assurance System Structure	2
Personnel Competence	3
Assessment	4
Oversight	5
On-going Scrutiny	5

Assurance System Structure

Overall structure:

Member companies must achieve certification to the RJC Code of Practices (COP) standard within two years of joining the RJC. The certification must apply to all facilities and activities controlled by the Member that contribute to the diamond, gold and platinum group metals jewellery supply chains. The RJC also has a Chain-of-Custody (CoC) Standard which is voluntary for Members to achieve certification. Further, the CoC Standard only covers precious metals (gold and platinum group metals). At end of July 2016, 528 of the RJC’s 815 Members have achieved Code of Practices (COP) certification and 37 Member entities who are Chain-of-Custody (CoC) Certified - the CoC standards’ scope is open to RJC Members and/or Entities under their Control though must include all Facilities under the Control of the Member that the Member/Entity intends to use for the extraction, processing, manufacturing, storage, handling, shipping and receiving, and marketing of CoC Material

The RJC is the standards setting organisation (scheme owner) as well as the oversight body: our Members undergo independent third party audits provided by our accredited audit firms (assurance providers). Members are debriefed at the close of the audit, as well as in the form of audit reports which are sent to the Member post-audit. Once these are reviewed by the Member, the final audit report with a Statement of Conformance is sent to the RJC by the auditor. The RJC in turn reviews these reports to confirm that the audit process and findings are consistent with the instructions to auditors in the Assessment Manual, and then the RJC issues certification based on the Statement of Conformance. In this capacity, the RJC acts as the oversight body by issuing certification directly to our Members. A full list of RJC Accredited audit firms can be found on the [RJC website](#).

Although the RJC issues certification, it is the independent third party auditor that determines whether the Member conforms to the applicable standard. The certification period depends on the nature of the audit findings as illustrated below:

Aspect	Code of Practices	Chain of Custody
Application	Mandatory	Voluntary
Conformance or Minor Non-Conformance	3 year certification	3 year certification
Major Non-Conformance	1 year transitional certification	No certification

Critical Breach	No certification and potential disciplinary proceedings	No certification and potential disciplinary proceedings
-----------------	---	---

The RJC Assessment Manual defines what constitutes a minor or major non-conformance, as well as a critical breach. Note that in relation to the COP, only 3 consecutive 1 year transitional certification periods are permitted.

Compliance:

RJC has developed its accreditation program to be aligned with ISO 17021:2011 *Conformity assessment – Requirements for bodies providing audit and certification of management systems*. RJC requires auditors to be ISO 17021 certified (or equivalent) because its assurance process is focused on management systems

Stakeholders:

The RJC has a [complaints mechanism](#) that stakeholders can use to highlight any concerns about the certification and assurance process. Stakeholders can be sources of information for evaluating conformance where relevant, through interviews by auditors such as for provisions for mining Members under issues such as Community Engagement, though this is not mandatory

Improvements:

Improvement initiatives aimed to strengthen the integrity of the RJC assurance process into 2016 and beyond include the following:

- The RJC currently prepares an annual audit consistency report which document the results of the review and analysis into the consistency of audits and certification processes across diverse industry sectors and geographies. Further to this, the RJC plans to collect feedback from Certified Members of their auditor experience and satisfaction with the audit process
- Formal shadow assessments undertaken by an independent evaluator are planned in 2017 and beyond to further enhance RJC oversight of auditor competence and the assurance system as a whole
- As most of our audit firms are accredited to ISO 17021¹ or an equivalent, they should be witness audited by their relevant accreditation body (UKAS in the UK, COFRAC in France etc) on a regular basis². The RJC is looking to require our audit firms to send these witness audit reports to the RJC, as part of our ongoing RJC assurance management process. These witness audits are carried out to ensure that auditors have the competency to conduct and lead audits. This would enable the RJC to ensure that our individual auditors are and continue to be competent to audit
- The RJC has plans to roll out increasing Auditor engagement mechanisms through interactive webinar sessions and other platforms.

Personnel Competence

The conditions for becoming an accredited RJC auditor (as the assurance provider) is outlined in the RJC [Auditor Accreditation Criteria](#), available on the RJC website. The RJC accredits both audit firms, as well as individual auditors from those firms. The Criteria includes requirements for qualifications and competency of the audit personnel which are aligned with ISO 17021 and ISO 19011. The responsibility for ensuring the competency of auditors is shared between the RJC and the individual accredited audit firms. In particular, the assurance provider’s auditor assessment processes must conform to criteria specified by RJC, developed from ISO 19011: 2011.

¹ ISO 17021: Requirements for bodies providing audit and certification of management systems

² Audit firms will undergo witness audits roughly every 12 months – 2 years; individual auditors will be witness audited roughly every 3,4,5 years

When an auditor applies for RJC Accreditation, RJC’s independent accreditation specialist reviews the CVs, audit logs, certificates of accreditation and training and any other supporting documentation submitted in support of applications.

Auditor training:

RJC requires audit personnel to have undertaken recognised formal auditor training, and at least four complete audits for a minimum of 20 days of audit experience as an auditor-in-training, under the direction and guidance of a competent audit team leader. RJC’s requirements are based on *ISO19011:2011 Guidelines for quality and/or environmental management systems auditing*.

RJC also provides tailored training on the RJC standards and assurance process to Accredited Auditors that test auditor knowledge. The RJC has plans to roll out auditor engagement through interactive webinar sessions and other platforms, to communicate key messages for undertaking audits, equipping auditors with relevant information on recognised existing external standards and alignment with RJC Standard, and other important elements of the RJC certification system.

Assessment

RJC audits are conducted by accredited and appropriately qualified independent third party auditors. The different types of RJC audits are shown in the table below:

Type	Code of Practices	Chain of Custody
Certification Audit	Mandatory within 2 years of becoming a Member	Voluntary
Mid-Term Review (COP) (only for 3 year certifications)	May be required 12 – 24 months after certification is issued (or Re-certification). Need and nature determined by Auditor (only for 3 year certifications)	-
Surveillance Audit (CoC)	-	Is required 12 – 24 months after certification is issued (or Re-certification).
Re-certification Audit	Mandatory for continuing Membership	At end of certification Period for continued status

Mid-Term Reviews, where required as part of the COP certification programme, can be either desktop or on-site visit, taking into account the risk analysis conducted by the auditor. Reasons for requiring a mid-term review can include a certain number of minor non-conformances raised or known changes to Certification Scope, for example (see page 49 of [the RJC Assessment Manual](#) for further details). CoC Surveillance audits must be site based. On site audits are required for re-certification Audits for both standards (required 3 years after initial audit). Re-certification audits follow the same process of preparation (conducting a self-assessment followed by an on-site audit) as the initial audit.

Decision making:

The RJC Assessment Manual and Certification Handbook document the RJC decision-making mechanisms, providing specific direction on how to determine levels of conformity: identified as either major or minor non-conformances, or a Critical Breach (COP only) which is major non-conformance against a provision deemed to be critical to the integrity of the RJC COP. The main difference between a minor and major non-conformance is the isolated nature of the former, and systemic nature of the latter. Minor non-conformances also represent less risk to the environment, workers and local community and are easier by nature to remedy.

The decision-making mechanisms are required to be consistently applied by auditors, and RJC reviews every audit report for consistency with its published requirements, seeking further information or clarification from assurance providers if required.

Knowledge-sharing:

Auditors are prohibited from being involved in the development of a Member's systems that they will audit as this represents a conflict of interest. However RJC does allow for assurance providers to make recommendations about how to correct non-conformances, or offer 'Suggested Business Improvements', and these can be documented in the Audit Reports. However Members are under no obligation to accept or implement suggested business improvements and auditors must not judge future performance based on the implementation of these suggested business improvements.

The RJC has set out the role of auditors in reviewing and approving Corrective Action Plans for major non-conformances in the Code of Practices. The Lead Auditor must verify that the proposed actions address root cause and prevent a recurrence of the finding, and is realistic and timely. Such a process accommodates feedback to a Member (client) to ensure that this can be achieved.

Remediation and sanctions:

When any non-conformances are found, these must be fully documented by the auditor within the audit report, indicating the nature of the non-conformance, the relevant provision affected, and the main deficiency/ies underlying the problem.

Members are obliged to develop Corrective Action Plan to remedy all non-conformances – irrespective of whether they are minor or major, and this is designed to support a continuous improvement approach. The RJC requests that the status of the implementation of Corrective Actions from the previous audit is reviewed during subsequent audits and documented in the audit report.

Oversight

General description:

RJC assurance providers/auditors are required to operate in conformance with ISO 17021. Conformance is established during the 'RJC Accredited Auditor' application process, where auditors must either demonstrate current accreditation against ISO 17021, or submit sufficient evidence of conformance for review by RJC as part of the application process.

Proxy Accreditation:

Oversight is carried out both by RJC, and by recognised accreditation schemes for ISO 17021 that fulfil part of RJC's accreditation requirements (proxy accreditation). This reduces duplication for auditors by making use of relevant existing accreditation and oversight processes.

On-going Scrutiny

Market surveillance:

The RJC certification process provides for unique certification numbers for each individual successful certification audit, which allows for traceability of successive certification status. The history of all RJC COP audits and certification numbers for each Member are maintained on the [RJC website](#). This allows interested stakeholders to verify certification information directly. The RJC [Complaints Mechanism](#) includes coverage of fraud or misrepresentation and sets out the steps that will be taken for investigation and sanctions that will apply. If you have any questions relating to the RJC Assurance system, please feel free to email accreditation@responsiblejewellery.com.