



## **SIZA Audit Frequency Matrix**

Social and Environmental  
Audits

## 1. OVERVIEW

The SIZA programme aims to provide robust assurances for managing risks in the South African agricultural industry supply base. It focuses on the following fundamental principles to mitigate and manage risks:

- Visibility: Buyers and supply-chain stakeholders have visibility on their supply chains
- Transparency and Traceability: Suppliers must be willing to share information on compliance status with buyers.
- Commitment to Improve: Suppliers must demonstrate a commitment to continuously improving compliance.
- Excellent Audit Oversight principles: SIZA drives a continuous improvement process supported by audit oversight principles between audit periods.

The SIZA programme subscribes to an improvement-led rather than an audit-led approach, utilising the SIZA Audit Frequency Matrix.

This matrix categorises risks into four levels:

**Platinum, Gold, Silver, and Bronze**, with Platinum having the most stringent criteria and therefore, the longest audit validity period. SIZA members are rated based on audit findings, and continuous improvement is encouraged to achieve higher ratings. Please see page 6 for more details on how risk levels are determined during audits.

To reinforce the improvement-led monitoring approach, SIZA incorporates various tools beyond audits. These include site visits, desktop assessments, and annual updates to the Self-Assessment Questionnaire (SAQ), ensuring ongoing compliance and risk management.

## 2. KEY COMPONENTS AND ACTIVITIES

The SIZA audit process includes the following steps:

- **Step 1**: Compliance and Awareness Training
- **Step 2**: Registration and Annual Completion of Self-Assessment Questionnaire (SAQ)
- **Step 3**: Audit Preparation and Raising Awareness among Employees
- **Step 4**: Third-party Audit
- **Step 5**: Corrective Actions supported by Remedy programmes
- **Step 6**: Audit Completion Letter Issued
- **Step 7**: Maintaining Compliance and driving Continuous Improvement through Audit Oversight principles between the audit periods.



**Step 1: Compliance and Awareness Training**

An informed supply base helps manage risks more effectively. Ongoing awareness-raising activities, training, and webinars are crucial to implementing day-to-day activities and can be measured as part of a supplier’s risk rating.

Available supporting tools by SIZA for new and existing members include comprehensive toolkits, including workshops, training, webinars, and video materials.

- Online webinars and in-person training sessions
- Reference and advisory workgroups representing the value chain
- Regular local producer & global market engagement
- Various templates and practical examples to assist with procedural implementation
- Guidelines to the law and standard requirements, which include:
  - Guide to Working Hours and Wages in Agriculture
  - Guide to Health and Safety Management
  - Guideline to Accommodation in Agriculture
  - Guideline to Fire-Safety Management on Farms
  - Waste Management Guideline
  - Guidance on South African Environmental Legislation
  - Net Zero Strategy Guideline
  - Guide to Improving Water-Use Efficiency
  - Guide to Controlling Invasive Alien Plants
  - Guide to Reducing Greenhouse Gas Emissions

## **Step 2: Registration and Annual Completion of Self-Assessment Questionnaire (SAQ)**

Primary members can register their business with SIZA, which will allow them to set up a profile and monitor their journey towards compliance. Risk measurement involves continuous assessment through various tools to ensure accuracy and transparency.

Desktop Assessment — Annual Online Self-Assessment Questionnaire (SAQ): The SAQ needs to be updated each year, after which it will be reviewed and approved by the SIZA Compliance Experts. The results are checked between auditing site visits and the third-party audit process. Significant discrepancies can affect the overall risk rating and audit frequency. The validity of the Audit Completion Letter (Certificate) is dependent on maintaining valid SIZA membership as well as the annual completion of the SAQ.

## **Step 3: Audit Preparation and Raising Awareness among Employees**

As part of the SIZA programme's commitment to ensure that the audit is more than just a snapshot or once-off approach, various measures ensure that everyone in the business is exposed to the SIZA requirements. One such way is ensuring producers (farms, packhouses and processing facilities) gain access to various materials to assist them with preparing for an audit and to ensure adequate awareness amongst management and employees. SIZA provides these resources at no additional cost, which include:

- Various posters related to the SIZA Social and Environmental Standard Requirements
- Posters and Templates on fire safety, health and safety representatives, worker representatives and more
- Videos in multiple official South African languages regarding the social/ethical principles of the SIZA Social (Ethical) Standard that can be used online and in compressed formats (for easy sharing on mobile phones).

## **Step 4: Third-party Audit**

The Audit Process and Methodology (which this document is Annexed) details the full rules and processes around the third-party process. The audit is conducted by an independent third-party audit firm that undergoes regular and frequent competency requirements to ensure that the firm, alongside the auditors, maintains the required recognition. Monitoring and managing the third-party audit process through the SIZA audit oversight programme establishes better quality audits and a more rigorous evaluation process.

- Alert Notifications: The audit firm sends alerts of Critical Non-Compliances to SIZA within 24 hours, which is bound to inform the buyers linked to the supplier. This allows for multi-stakeholder involvement to address the root cause of an issue sooner.
- Long-term Improvement Plans: These are monitored and included in improvement plans on the platform, which allows SIZA to ensure consistent monitoring of practices over time.
- Disputes: In any event, where auditors raise findings that are either incorrect or that the supplier does not agree with, the option to log a dispute exists. SIZA facilitates this option by allowing an independent and anonymous expert group to review and provide an independent opinion on the finding and dispute to determine whether it remains the same.

## Step 5: Corrective Actions

The corrective action process is one of the most essential parts of the compliance journey and cements commitment to improvement. The SIZA programme is developed in such a way as to ensure that no Audit Completion Letter can be issued if all the corrective actions for each finding have yet to be closed out. The progress in completing corrective actions (linked to issues raised in an SAQ or third-party audit) will be monitored on the MySIZA platform while the audit is in Approved status. This includes notifications of failure to complete corrective actions within agreed-upon time frames. Each supplier will have a complete performance history so improvement can be tracked. Auditors are also given the opportunity to indicate whether corrective actions are carried over from a previous audit to further track performance and improvement across audit periods. Failure to complete corrective actions can lead to increased audit frequency, suspension, or membership cancellation.

Some activities to drive more effective corrective action resolution are:

- Remedy Solution: SIZA provides a programme where expert companies and individuals who specialise in a particular field or niche can apply to become approved by SIZA. This allows these companies to become recognised as a remedy solution programme, which makes them visible to suppliers. This assists businesses in selecting the companies and individuals who can help them rectify issues once identified during audits to ensure adequate resolution and address the root cause of a problem.
- SIZA Office Assistance: SIZA is hands-on and involved in the supply chain, ensuring the landscape of agriculture is understood to assist producers with their compliance journey and help motivate businesses to do better over time.

## Step 6: Audit Completion Letter

Once all the corrective actions have been completed and reviewed by the third-party auditor, the audit goes into Completed status and the platform issues an Audit Completion Letter, which will contain the audit date and the date of expiry based on the risk rating achieved by the site. This is proof to the member and the buyer that the audit was completed in full and that all corrective actions were taken, approved, and signed off by the auditor. If any corrective actions are not uploaded to the platform within the agreed-upon time frames, once the audit has been completed, the Audit Completion Letter will only be valid for 12 months from the audit date, regardless of the risk rating achieved during the audit.

## Step 7: Maintaining Compliance through Audit Oversight

SIZA implements various activities to monitor a supplier's compliance status and commitment throughout their business every day and between audit periods.

- Between Audit Monitoring Site Visits: Based on the square root of the number of farms audited annually, these site visits monitor in-person practices between third-party audits. This allows businesses' practices to be implemented consistently and then undergo verification again without the burden and costs of a third-party audit. These visits are done by SIZA, which will use the previous audit reports, findings, and current approved SAQ to verify whether practices are in place.
- Complaints and Worker Voice Mechanism: SIZA provides a comprehensive complaints process through which complaints and grievances from members and non-members can be resolved with independent investigations if necessary.
- Best Practice: Another programme that drives further enhancement of improvement is the SIZA Best Practice programme. This allows businesses to share approved practices on their profile so that global buyers can view them and see the suppliers who go above and beyond mere minimum

requirements. This also motivates businesses to maintain a more sustained drive towards doing better.

### **3. CONCLUSION**

The SIZA programme's multifaceted approach ensures continuous improvement and effective risk management in the South African agricultural industry by all parties involved. SIZA provides a robust compliance and risk mitigation framework by combining audits with ongoing monitoring and awareness-raising activities and a hands-on approach.

### Audit Frequency Matrix

**Note:** The categorisation of non-compliances (NCs) referred to in the Audit Frequency Chart is based on the SIZA Audit Process and Methodology document, which uses global requirements as a guideline.

Risk Category	Critical	Major	Minor	Action Required	Next Full audit
<b>Bronze</b>	1 or more	And/or ≥ 5	And/or ≥ 30	Submission of corrective actions within timeframes agreed during audit; and/or follow up visit during months 0- 6	Full audit 0 – 12 months from date of original audit. <b>If NCs not completed, no completion letter will be issued.</b>
<b>Silver</b>	0	3- 5	And/or 21- 30	Submission of corrective actions within timeframes agreed during audit; and / or follow up PARTIAL audit (using desktop evidence submitted or visit to farm to check corrective actions during months 0 – 6)	If NCs completed in given timeframe – full audit 2 years from date of original audit. If NCs not completed as per CAP time frames – full audit at the start of the next season, but no more than 12 months from date of original audit. <b>No completion letter will be issued if corrective actions are not submitted.</b>
<b>Gold</b>	0	1- 2	11- 20	Submission of corrective actions within timeframes agreed during audit; and/or follow up PARTIAL audit (using desktop evidence submitted or visit to farm to check corrective actions as per the agreed timeframes during the audit)	If NCs completed in given timeframe – full audit 2 years from date of original audit. If NCs not completed as per CAP time frames – full audit at start of next season but no more than 12 months from date of original audit. <b>No completion letter will be issued if corrective actions are not submitted.</b>
<b>Platinum</b>	0	0	0- 10	Submission of corrective actions within timeframes agreed during audit; and/or follow up PARTIAL audit (using desktop evidence submitted or visit to farm to check corrective actions as per the agreed timeframes during the audit)	If NCs completed – full audit 3 years from date of original audit. If NCs not completed as per CAP timeframes – full audit at start of next season but no more than 12 months from date of original audit. <b>No completion letter will be issued if corrective actions are not submitted.</b>

*\*Take note that if non-compliance includes a long-term corrective action (e.g., living conditions, etc.) that cannot be concluded and uploaded in the given period to obtain a SIZA Completion Letter, a Long-term Improvement Plan with timeframes must be completed and uploaded. When the plan is uploaded and signed off by the auditor, a Completion Letter can be issued, but SIZA will not accept any open corrective actions.*