SIZA ENVIRONMENTAL MONITORING & EVALUATION REPORT

Quarterly Update for Q2 2021/2022

01/10/2021 – 31/12/2021

Western Cape Government
FOR YOU
Agriculture

Contents

INTRODUCTION

The Sustainability Initiative of South Africa, SIZA, provides a platform for agricultural stakeholders to ensure ethical and environmentally sustainable trade. This programme monitors care for the environment and compliance with labour legislation. With a vision of enabling South African agriculture to be a global leader in ensuring sustainable, ethical trade and environmental stewardship, SIZA aims to encourage continuous improvement in practices over time exceeding the minimum legal requirements.

In addition to an already well-established ethical (social) standard, the Sustainability Initiative of South Africa (SIZA) programme also includes a comprehensive and widely accepted environmental standard for suppliers in the agricultural sector. The SIZA Environmental Standard was developed in partnership with the World Wide Fund for Nature, South Africa (WWF-SA) and aims to assist South African suppliers in becoming compliant, while at the same time promoting environmental stewardship.

The SIZA environmental programme focuses on the sustainable management of the four cornerstones of the environment, namely soil; water; energy, materials, and waste; as well as biodiversity and ecosystems. The main objectives of the programme are to improve input efficiencies and to manage and mitigate environmental risks on both farm, packhouse and processing plant level. Requirements vary from practices to prevent environmental pollution and degradation, measuring and monitoring the efficiency with which finite resources such as water and energy are used, and ensuring that biodiversity and ecosystems are preserved into the future. The standard is structured in a way for suppliers to establish a starting point (baseline) on their journey to environmental sustainability, and to progress to setting SMART (Specific, Measurable, Achievable, Realistic and Time-linked) targets in order to track progress, monitor efficiency, and drive continuous improvement.

With a vision of driving continuous improvement, SIZA Environmental audit is not a pass or fail exercise, but rather a benchmark for producers to measure their compliance against South African environmental laws and globally recognised good agricultural practices by driving continuous improvement. SIZA has adopted a third-party audit approach through which environmental audits are conducted by internationally recognised independent audit entities to ensure that the programme is credible and transparent throughout. With the objectives of eliminating duplication, driving a cost- and time effective approach, and providing better transparency to stakeholders on a global scale, the SIZA Environmental audit can be conducted either as a stand-alone or a combined solution audit together with the GLOBALG.A.P. Integrated Farm Assurance (IFA) standard.

As a pre-addition to the third-party audit process SIZA also developed and implemented the Environmental Second-Party Verification programme, called the *SIZA CARES programme* as part of its drive towards continuous improvement and to manage environmental risks within the agricultural sector.

Since the implementation of the SIZA CARES Second-Party Verification programme three years ago, it has already illustrated progress and successes where farmers have started to focus on measuring and monitoring their inputs. This has helped them to identify areas of improvement and to react proactively in managing their environmental risks. The SIZA CARES programme is a win-win recipe for everyone involved.

The Monitoring and Evaluation quarterly report provides insight into the various aspects related to the SIZA programme including statistics on the SIZA membership, annual monitoring activities, third-party audit outcomes, and trends related to risk factors. As the SIZA programme drives continuous improvement, this report provides a balanced view of high-risk areas as to allow SIZA and relevant stakeholders to engage and develop further capacity building and remediation strategies to sustain a continuous improvement drive within the agricultural industry in South Africa.

1.   SIZA SOCIAL (ETHICAL) AND ENVIRONMENTAL MEMBERSHIP

1.1.   SIZA Membership Breakdown
1.1.1.   Active Primary Membership

Currently there are 2 161 active profiles registered on the *MySIZA* platform. As one profile can comprise multiple membership registrations (i.e. Social (Ethical) and Environmental) it is important to take the amount of registrations into consideration. Currently there are 2 137 primary members registered for the SIZA Social module, whereas 1 301 primary members are also registered for SIZA Environmental – adding up to a total of **3 438 primary registrations**.

A total of 60 new primary members registered for SIZA Social and 25 new primary members registered for Environmental in this period, leading to a nett increase of 45 members, as 40 members cancelled their profiles during this period due to farms that were sold or the duplication of accounts.

1.1.2. Active primary members per province

Active Primary Member Distribution per Province
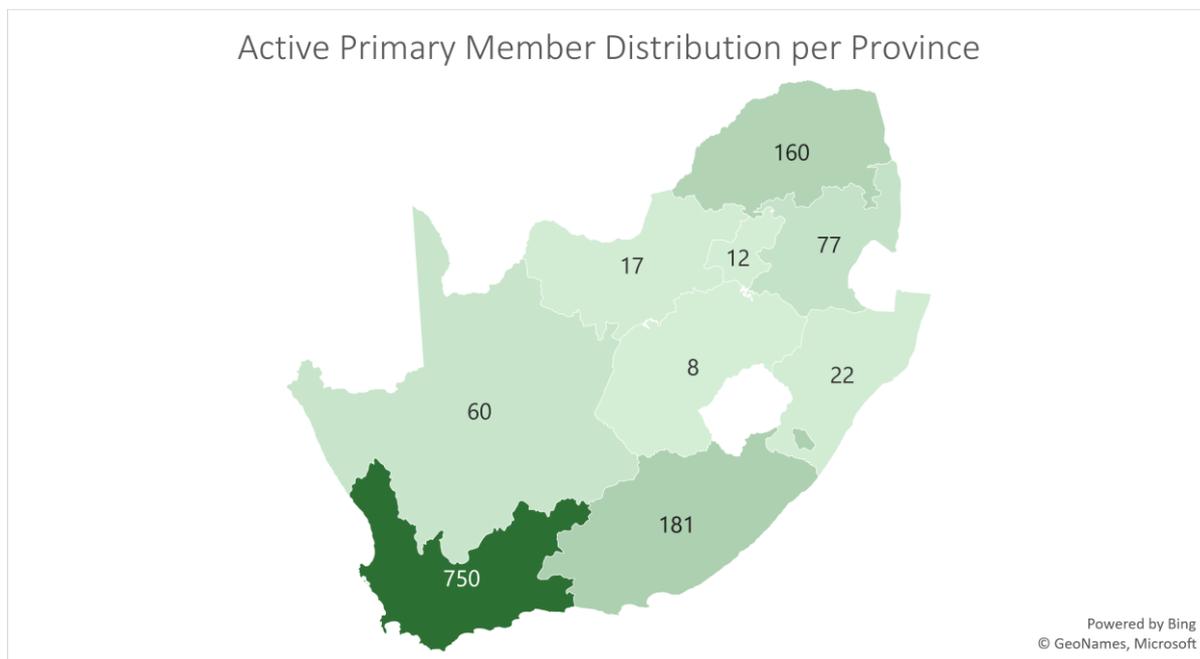
With the Western Cape being known for providing production stability to fruit production and being one of South Africa's most important provinces for the export of fruit products, the Western Cape records the highest SIZA membership across the nine provinces. Currently the Western Cape is home to 750 Environmental members, followed by the Eastern Cape (181) and Limpopo (160).

1.1.3. Active primary members by type

SIZA membership is structured into different levels to ensure that different functionalities can be allocated to the different types of membership. Secondary members (Level 4 – 6) can be linked to primary members (levels 1 – 3) who supplied to them to ensure that buyers have visibility and traceability on the suppliers who supply to them. This also ensure confidentiality and the protection of data.

Definitions as indicated below are the same for the Social (Ethical) and Environmental modules because they are two separate standards/modules.

Level 1a: **Producer**
A single production site.

Level 1b: **Producer/packhouse**
A single production site including a packing/processing facility on site, packing/processing their own product.

Level 1c: **Smallholders/Emerging Growers**
Producers who need to become compliant and have never undergone an audit who form part of the SIZA Emerging Growers Compliance Programme over a 3-year period.

Level 1d: **Temporary Employment Services (Labour Brokers)**
A person or company that provides labourers to client companies on a temporary basis.

Level 2: **Packhouse/processing facility**
An independent packhouse/processing facility which packs/processes on behalf of primary producers.

Level 3b: **Multisite**
The multi-site principle is applied where the organisation and multiple sites are registered as <u>one legal entity</u> and have one management system that is centrally controlled at a head office base.

Level 4a: **Export agent**
Level 4b: **Import Agent**
Level 5a: **Retailer**
Level 5b: **Minor Industry Association**
Industry representing under 5 000 hectares.

Level 5c: **Major Industry Association**
Industry representing above 5 000 hectares.

Level 6: **Not-for-Profit organisation**
An organisation that does not need to be linked to Level 1 member sites. For example, NGO, trade union, or other non-profit entity not requiring visibility of Level 1 member sites.

Level 7a: **Social (Ethical) Audit Firms**
Level 7b: **Environmental Audit Firms**
Level 7c: **Independent Greenhouse Gas Specialists**
A company that specialises in calculating a site's carbon footprint within the agricultural sector.

Level 8: **Training Service Providers/Consultants/Remedy Programmes**
Companies who are recognised by SIZA and who need to be visible as recommended programmes to the producers.

Active Primary Members by Type per Province
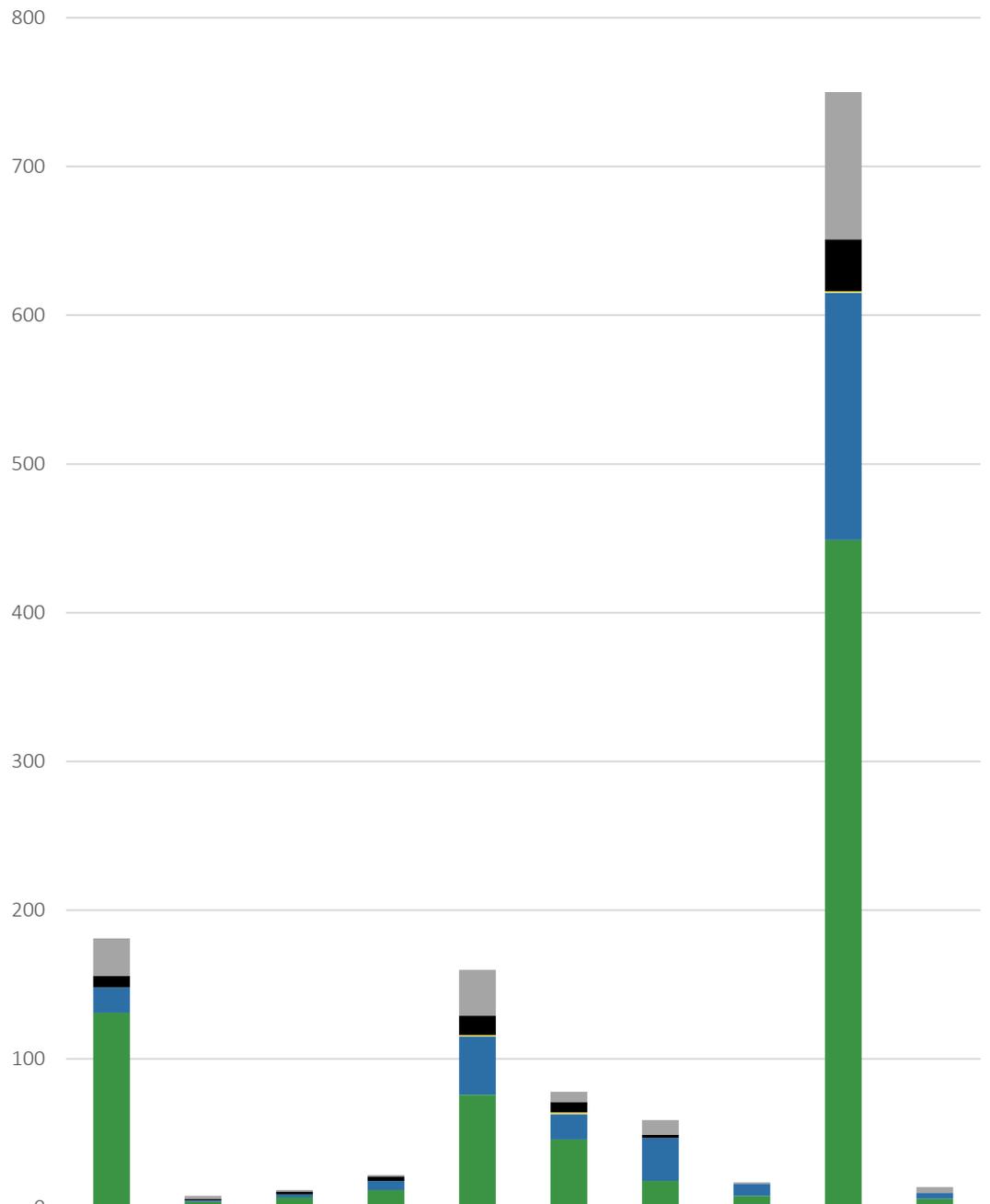
	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	Unknown
▇ Multi-site (Level 3)	25	2	1	1	31	7	10	1	99	4
▇ Packhouse (Level 2)	8	1	2	3	13	7	2	0	35	0
▇ Temporary Employment Service (Level 1d)	0	0	0	0	1	1	0	0	1	0
▇ Smallholder (Level 1c)	0	0	0	0	0	0	0	0	0	0
▇ Producer with Packhouse (Level 1b)	17	1	2	6	39	17	29	8	166	4
▇ Producer (Level 1a)	131	4	7	12	76	46	18	8	449	6

Level 1a members continue to make up the largest percentage of membership, and currently represents 58,19% of all primary members. Since fruit producers have the biggest representation on the *MySIZA* platform, out of the total registrations for level 1a members, 750 members (57,65%) are based in the Western Cape.

1.1.4. All active members by type

The *MySIZA* platform acts as a risk management tool for both the producer and the buyer, as secondary members (exporters, importers, and retailers) can manage risk within their supply chain by having visibility on the performance of their linked members for both social and/or environmental. Currently there are a total of 123 secondary members, (buyers/retailers, importers, and exporters) and 50 tertiary members (auditors, consultants & remedy providers) registered on *MySIZA*.

Active Members by Type
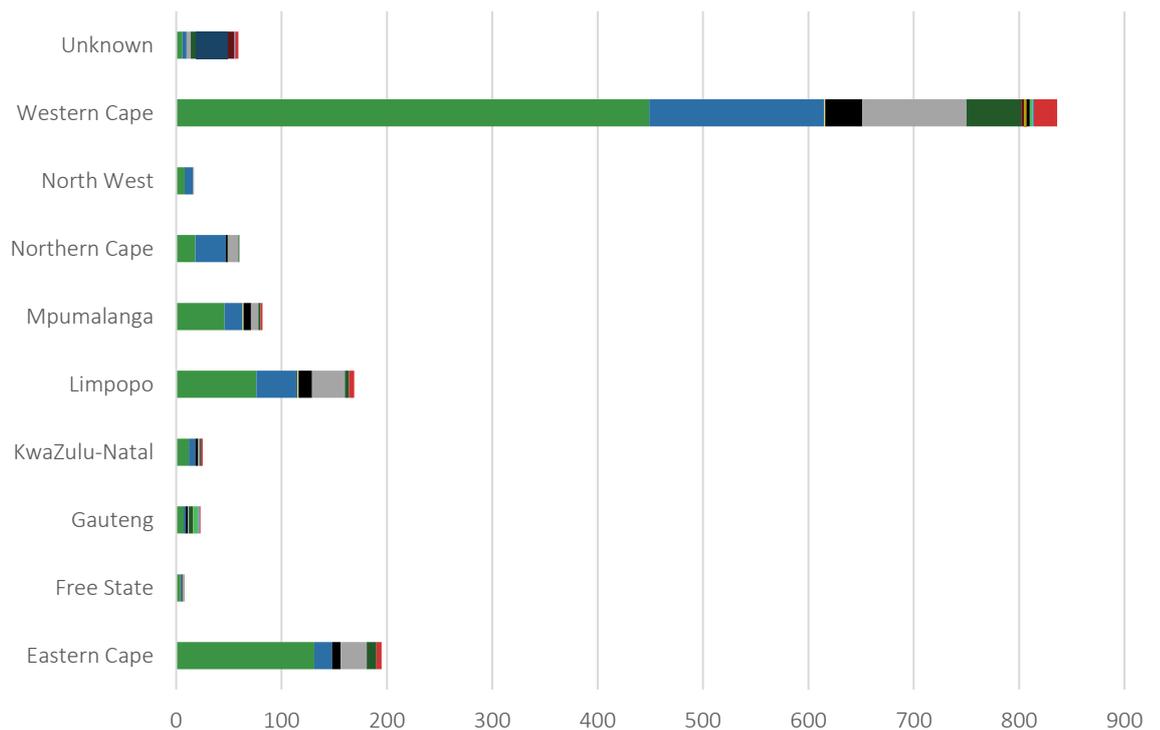
	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	Unknown
Producer (Level 1a)	131	4	7	12	76	46	18	8	449	6
Producer with Packhouse (Level 1b)	17	1	2	6	39	17	29	8	166	4
Smallholder (Level 1c)	0	0	0	0	0	0	0	0	0	0
Temporary Employment Service (Level 1d)	0	0	0	0	1	1	0	0	1	0
Packhouse (Level 2)	8	1	2	3	13	7	2	0	35	0
Multi-site (Level 3)	25	2	1	1	31	7	10	1	99	4
Exporter (Level 4a)	9	0	4	1	4	2	1	0	52	5
Importer (Level 4b)	0	0	0	0	0	0	0	0	0	30
Retailer (Level 5a)	0	0	0	0	0	0	0	0	3	6
Minor Industry Association (Level 5b)	0	0	0	0	0	0	0	0	2	0
Major Industry Association (Level 5c)	0	0	0	1	0	0	0	0	3	0
Not for Profit (Level 6)	0	0	0	0	0	0	0	0	0	0
Social Audit Companies (Level 7a)	0	0	5	0	0	0	0	0	3	0
Enviro Audit Companies (Level 7b)	0	0	1	0	0	0	0	0	1	1
Consultants (Level 8)	5	0	1	1	5	2	0	0	22	3

1.2. New Members and Renewals

With SIZA being a multi-sector agricultural solution, the ongoing aim is to have all production units within South Africa to be registered for SIZA Social and/or SIZA Environmental as a drive towards being a global leader in ethical trade and environmental sustainability. This section indicates the growth of the SIZA membership per period. One of the reasons for this growth can refer to the fact that SIZA expanded its practices to become a multisector, agri-wide compliance programme.

1.2.1. New member registration

New Environmental Members Registered per Quarter

Year	Q1	Q2	Q3	Q4	Total
2018/2019	36	27	30	32	125
2019/2020	28	16	25	31	100
2020/2021	22	23	21	15	81
2021/2022	12	23			35
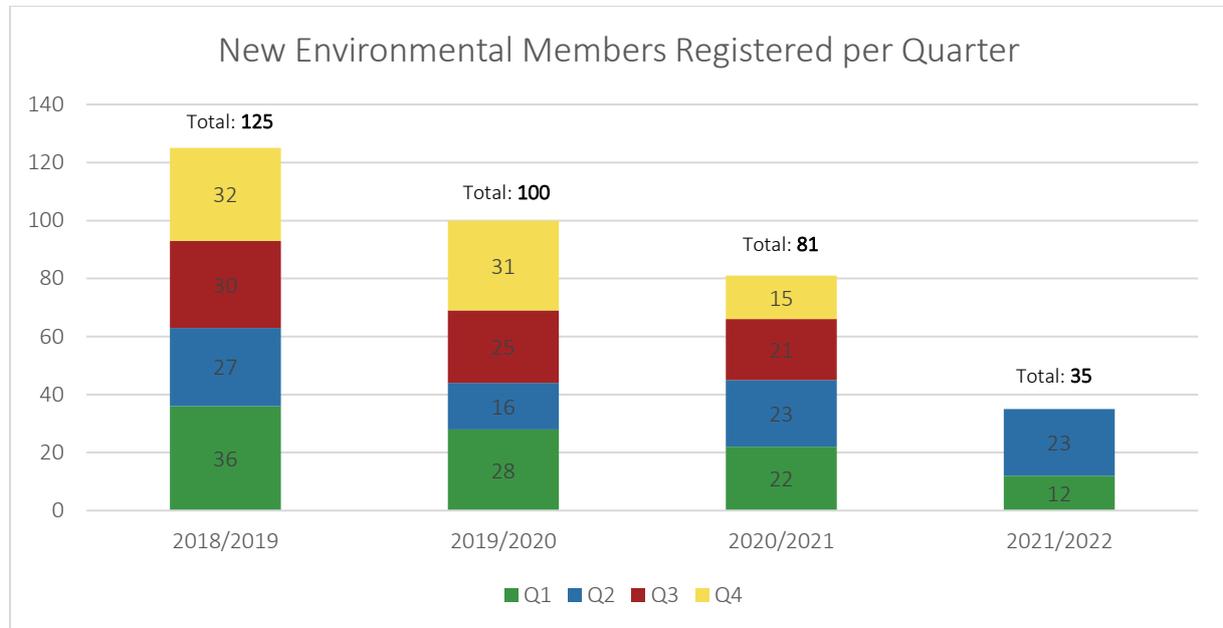
Since 2018, a total of 341 new members registered for the SIZA Environmental module, while 23 new members registered for SIZA Environmental during the current reporting quarter. Members who were already registered for SIZA Social (Ethical) who added the Environmental module to their profile later on, are not represented in this graph.

Environmental Membership Renewals per Period

|	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	Unknown
Q2 2021/2022	12	2	3	5	17	9	5	2	163	1
Q1 2021/2022	19	0	1	4	26	6	18	4	209	3
Q4 - 2020/2021	105	1	2	3	43	22	9	2	108	2
Q3 - 2020/2021	47	2	2	6	49	27	19	5	144	1
Q2 - 2020/2021	15	3	3	6	26	11	22	2	207	2
Q1 - 2020/2021	27	2	1	5	34	12	24	5	265	3
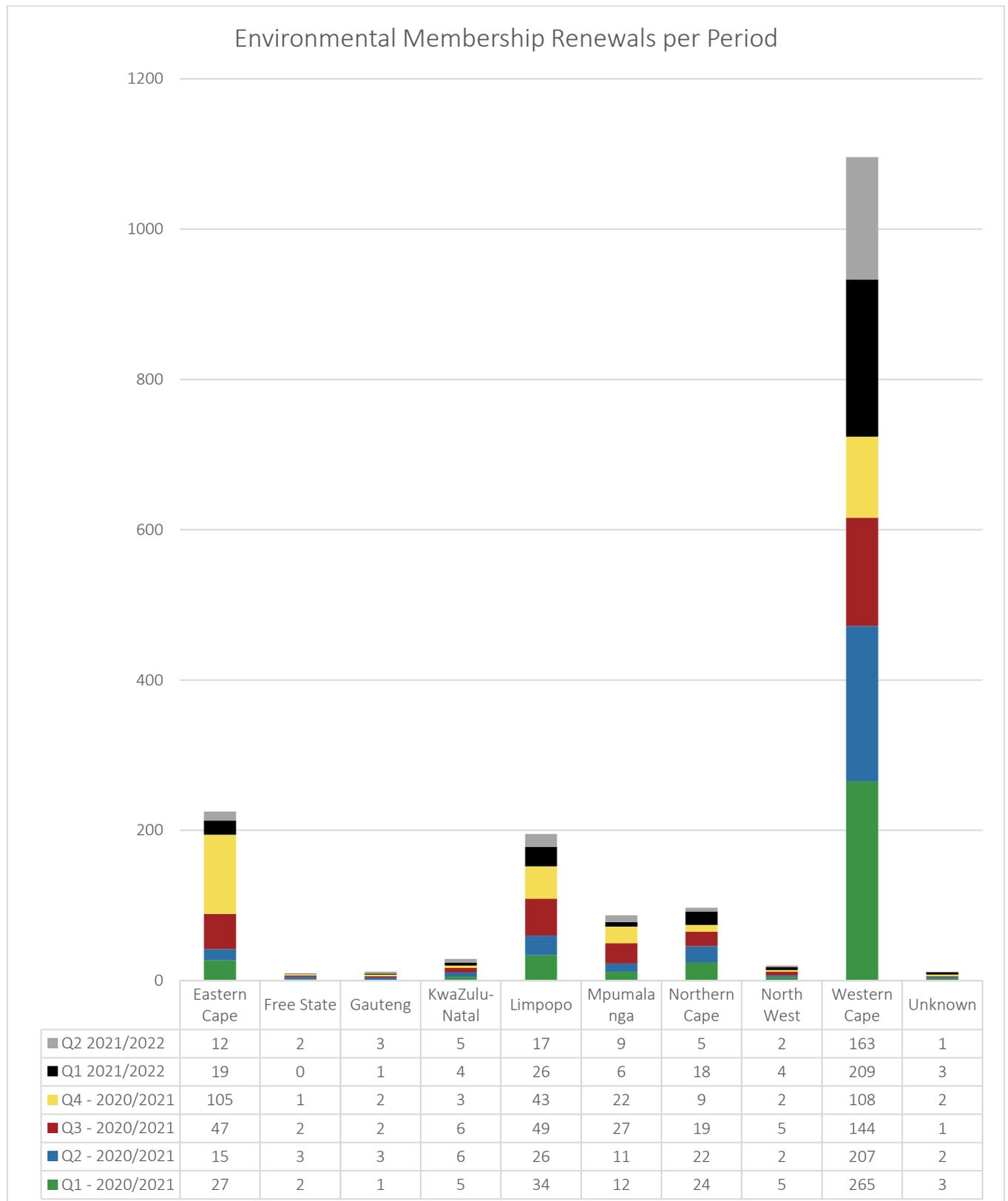
A total of 219 subscriptions that expire in Q2 of 2021/2022 were renewed in this period. 74,43% (163) of these were in the Western Cape. Membership renewal indicates that suppliers are maintaining their ethical compliance status.

1.3. Digital Recordkeeping

With a vision of enabling South African agriculture to be a global leader in ensuring sustainable, ethical trade and environmental stewardship, SIZA went live with the first phase of its Digital Recordkeeping Tool at the end of September 2021. With SIZA being a multi-sector agricultural programme, the programme is available to all sectors and commodities for both local and international members. Currently there are 71 members who have already signed up for Digital Recordkeeping who will start capturing their production inputs online. Members who signed up for Digital Recordkeeping received training prior to setting up their profile, as it is important that the correct information is used from the start.

As recordkeeping and target setting form the foundation of continuous improvement, SIZA Digital Recordkeeping will enable producers to keep record of their production inputs and assess whether they are on track to meet their goals and to put practice into perspective, as standardised methods and calculations are used to track progress over time. In addition, as the majority of the data captured as part of the Digital Recordkeeping Tool also contributes to the carbon footprint of a business, phase two of the development will include a built-in functionality where members can request their carbon footprint to be calculated. Phase two of the development is planned to be completed by April 2022.
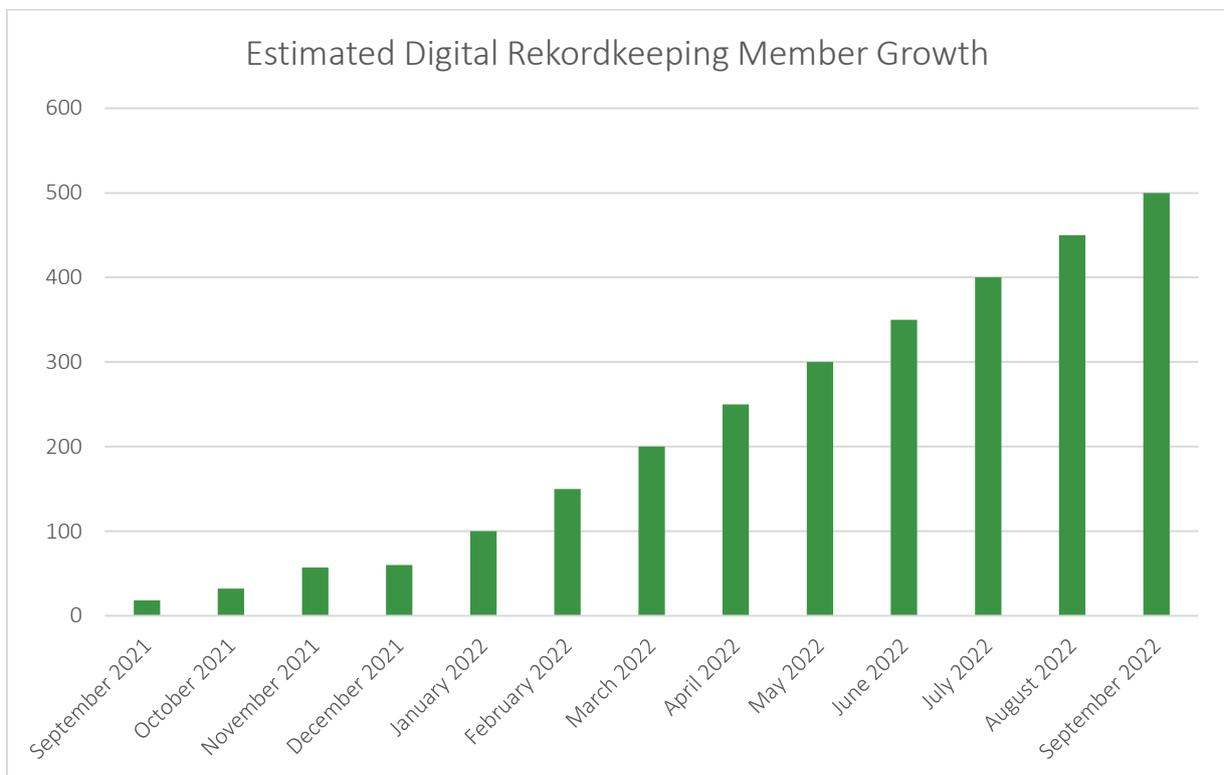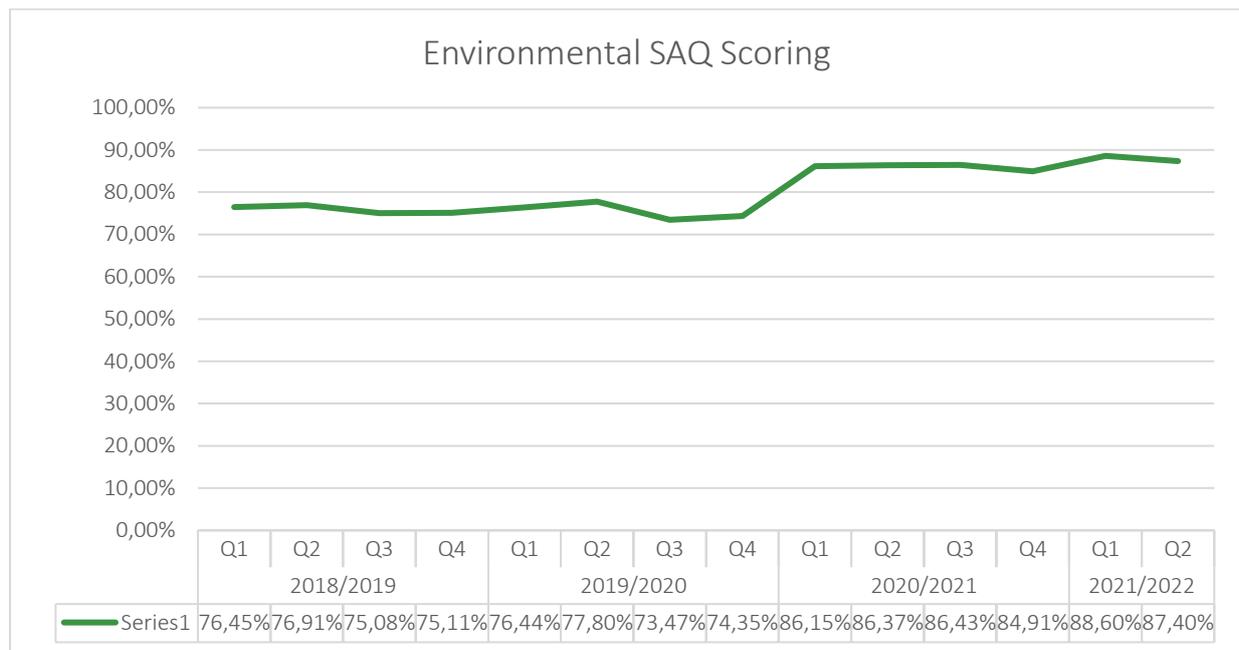
1.4. Membership per Commodity

As SIZA is a multi-sector agricultural solution, the *MySIZA* platform allows for a very detailed breakdown of commodities. SIZA members have contributed to completing the data, and now that *MySIZA* has been live for a full year, all profiles have indicated their commodities as follows:

Commodity	All South Africa		Western Cape	
	Number of commodity represented in SIZA membership	% of total commodities indicated	Number of commodity represented in SIZA membership	% of total commodities indicated
Citrus	568	25,83%	263	17,89%
Pome Fruit	276	12,55%	251	17,07%
Stone Fruit	291	13,23%	276	18,78%
Subtropical	154	7,00%	10	0,68%
Bananas	14	0,64%	0	0,00%
Pineapples	0	0,00%	0	0,00%
Berries	121	5,50%	67	4,56%
Pomegranates	31	1,41%	28	1,90%
Dragon Fruit	2	0,09%	1	0,07%
Persimmons	15	0,68%	15	1,02%
Kiwis	8	0,36%	2	0,14%
Guavas	10	0,45%	4	0,27%
Granadilla	10	0,45%	3	0,20%
Figs	28	1,27%	24	1,63%
Olives	13	0,59%	13	0,88%
Table Grapes	224	10,19%	220	14,97%
Wine Grapes	139	6,32%	134	9,12%
Hops	0	0,00%	0	0,00%
Dried Fruit	16	0,73%	7	0,48%
Canning Fruit	19	0,86%	18	1,22%
Nuts & Seeds	78	3,55%	6	0,41%
Fresh Vegetables	91	4,14%	66	4,49%
Flowers & Ornamentals	12	0,55%	10	0,68%
Tea & Beverages	17	0,77%	15	1,02%
Wool / Mohair	5	0,23%	4	0,27%
Meat	6	0,27%	4	0,27%
Poultry	1	0,05%	1	0,07%
Eggs	2	0,09%	1	0,07%
Dairy Products	2	0,09%	2	0,14%
Grain, Bread & Bakery Products	10	0,45%	5	0,34%
Sugar	4	0,18%	0	0,00%
Marine	0	0,00%	1	0,07%
Seasoning & Preservatives	3	0,14%	3	0,20%
Other	29	1,32%	16	1,09%

2.   SELF-ASSESSMENT QUESTIONNAIRE (SAQ)

The purpose of the SAQ is for primary members to have an opportunity for self-evaluation and to benchmark against South African legislation. SAQs are also important for the auditing process, as auditors use the SAQ information as a benchmark during third-party audits. SIZA also uses the SAQ as a between audit online monitoring tool to ensure that audit results are maintained between audits.

SAQs indicate growth and improvement year on year, as the primary members are required to complete their SAQs annually. *MySIZA* allows for feedback to the member by means of a risk indicator, which scores each answer according to the risk it holds.

Environmental SAQ Scoring

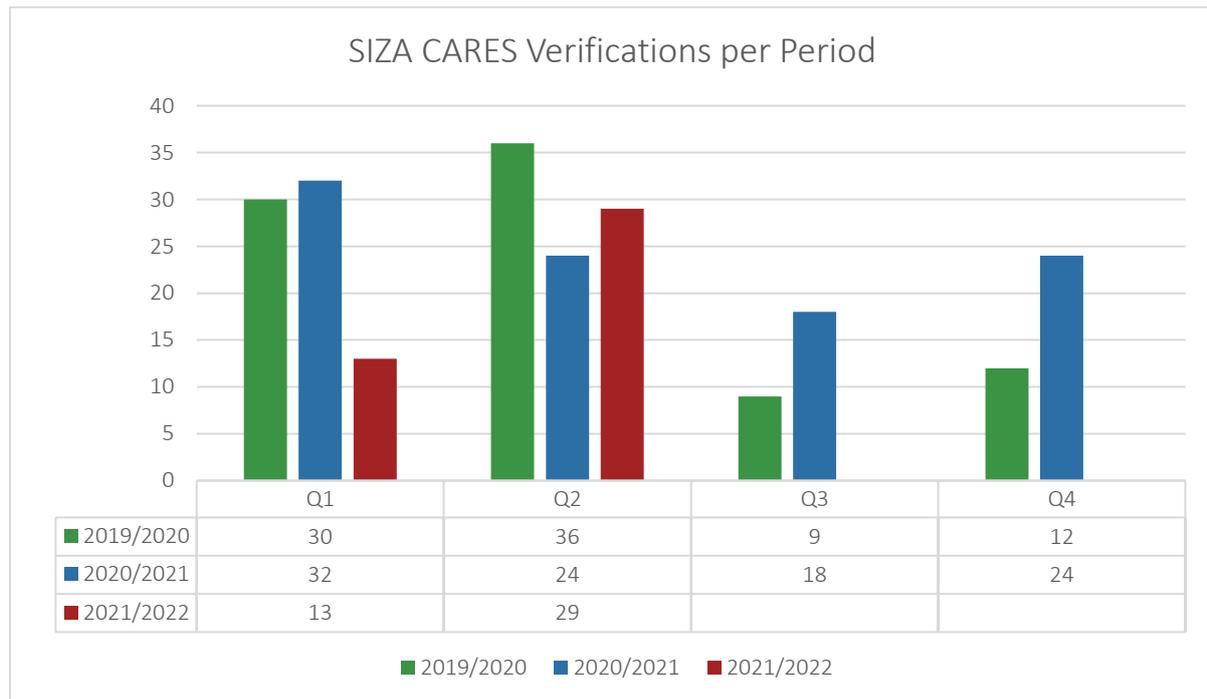|	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
	2018/2019				2019/2020				2020/2021				2021/2022	
Series1	76,45%	76,91%	75,08%	75,11%	76,44%	77,80%	73,47%	74,35%	86,15%	86,37%	86,43%	84,91%	88,60%	87,40%

The average score for all Environmental SAQs approved in Q2 is 87,40%. The highest score for an approved SAQ in this period is 98,22%. SIZA admin try to only approve SAQs for existing members with a risk score above 85% now, which is 5% higher than 2020. SIZA admin assist new members with low scores to improve their scores every year before approval.

3.   SIZA CARES SECOND-PARTY VERIFICATION PROGRAMME

As part of the drive for continuous improvement, SIZA launched the environmental second-party verification programme, also known as SIZA CARES (Creating Awareness and Resilience in Environmental Sustainability) in 2019. The aim of the second-party verification process is to verify the environmental SAQ and to assist suppliers with technical support and advice to improve environmental practices.

Since September 2019 members had the option to be selected for a SIZA CARES Second-Party Verification as part of sample-based programme depending on the requirements of the market they supply. A total of 200 verifications have already been conducted by SIZA verifiers. In Q2 2021/2022 29 verifications were completed.

3.1.   SIZA CARES Verifications per Period

SIZA CARES Verifications per Period

	Q1	Q2	Q3	Q4
2019/2020	30	36	9	12
2020/2021	32	24	18	24
2021/2022	13	29		

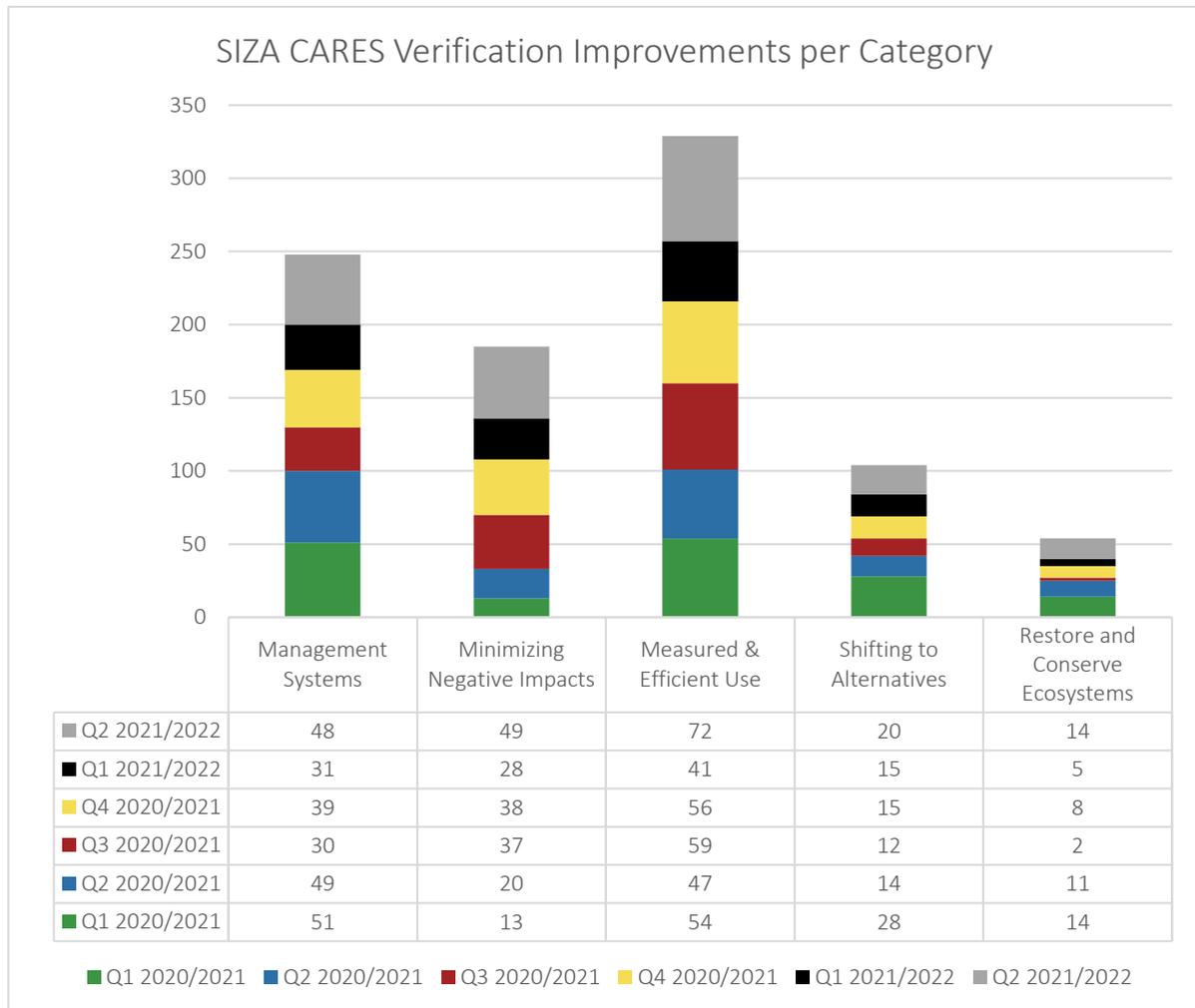■ 2019/2020   ■ 2020/2021   ■ 2021/2022

As SIZA CARES site visits are designed to create awareness and drive continuous improvements, site visits are scheduled outside of peak season to ensure for optimal interaction with management. These site visits are then strategically scheduled to ensure that the availability of the environmental specialists is used optimally.

3.2. Verification Improvements

With the 200 verifications that have been conducted over the last 3 years, it has given SIZA a clear view on areas for improvement.

Since the implementation of the SIZA CARES programme, over 200 verifications have been conducted. As this programme is conducted in preparation of third-party audits, it provides a clear indication of where improvement is needed and what the focus areas should be for awareness raising initiatives.

SIZA CARES Verification Improvements per Category

	Management Systems	Minimizing Negative Impacts	Measured & Efficient Use	Shifting to Alternatives	Restore and Conserve Ecosystems
Q2 2021/2022	48	49	72	20	14
Q1 2021/2022	31	28	41	15	5
Q4 2020/2021	39	38	56	15	8
Q3 2020/2021	30	37	59	12	2
Q2 2020/2021	49	20	47	14	11
Q1 2020/2021	51	13	54	28	14

Legend: Q1 2020/2021 ▪ Q2 2020/2021 ▪ Q3 2020/2021 ▪ Q4 2020/2021 ▪ Q1 2021/2022 ▪ Q2 2021/2022

Management Systems and Measured & Efficient Use are the areas where the biggest need for improvements have been identified. Overall, these two sections account for 61,97% of all findings.
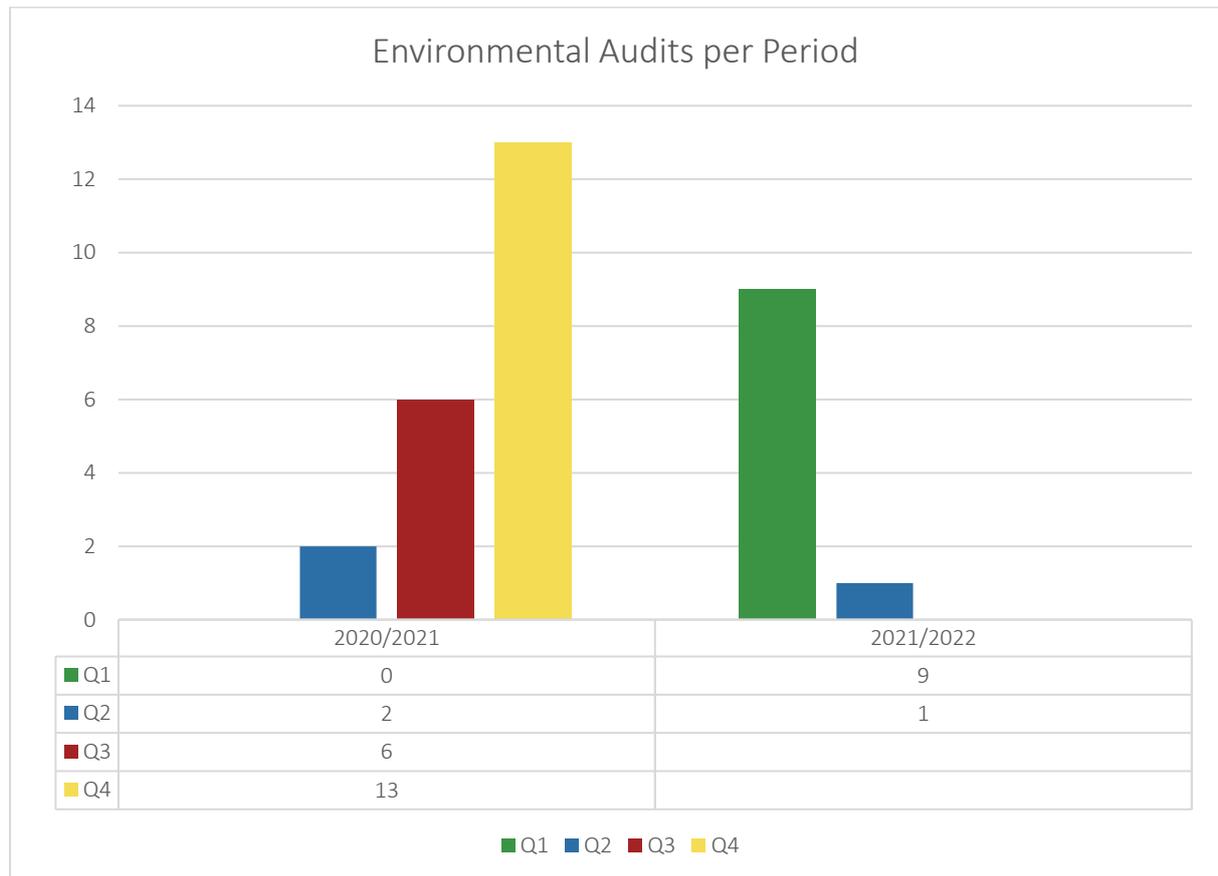
With SIZA being a continuous improvement programme, the focus is to drive improvements on any findings made during audits or verifications.

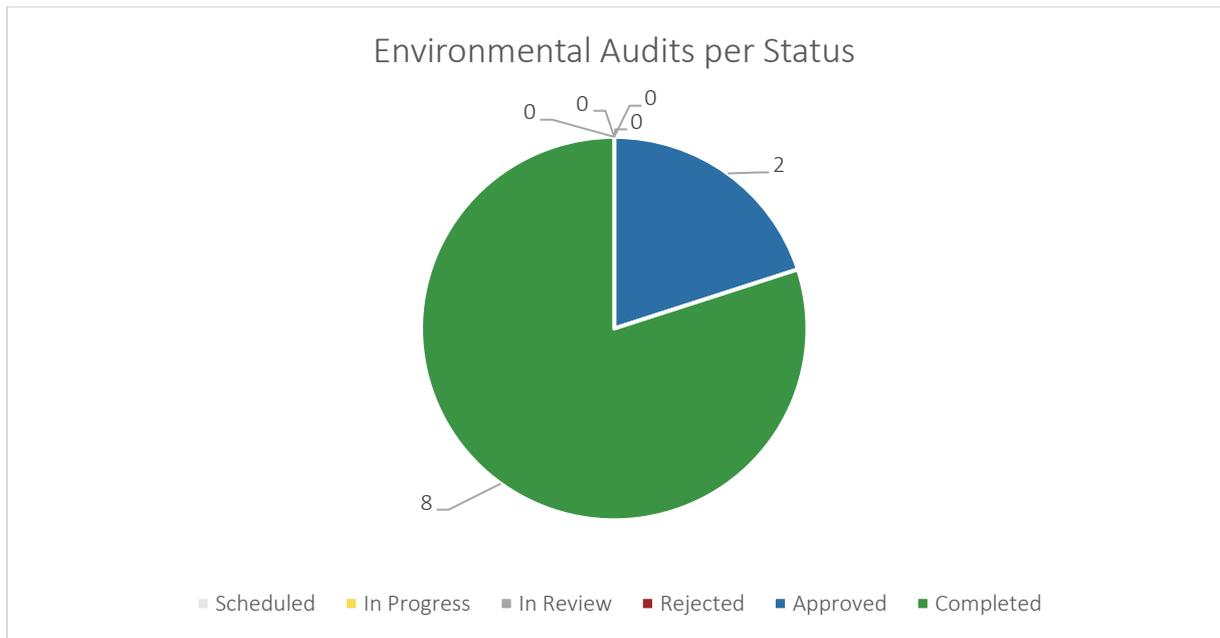## 4. ENVIRONMENTAL AUDIT INFORMATION

4.1. Environmental Audits per Period

SIZA adopted a third-party audit approach to allow for a credible and objective process which can be a true reflection of the audit outcome and environmental practices in a business. A SIZA Environmental audit is not a pass or fail exercise, but rather aimed at assisting agriculture to be aware of their environmental risks and to drive continuous improvement towards the implementation of environmentally friendly practices. The purpose of the third-party audit is to monitor compliance against environmental legislation through the SIZA Environmental Standard by evaluating and identifying areas within the business that are non-compliant and require corrective- and remedial actions.

With the objectives of eliminating duplication, driving a cost- and time effective approach, and providing better transparency to stakeholders on a global scale, the SIZA Environmental audit can be conducted either as a stand-alone or a combined solution audit together with the GLOBALG.A.P. Integrated Farm Assurance (IFA) standard. While the respective audits may take place at the same time, two separate and comprehensive reports will be issued, and the SIZA Environmental Audit Report will be uploaded to the *MySIZA* online platform to ensure visibility in terms of environmental compliance to all relevant stakeholders. For the convenience of buyers, data will also be displayed through the GLOBALG.A.P. platform.

Environmental Audits per Period

	2020/2021	2021/2022
Q1	0	9
Q2	2	1
Q3	6	
Q4	13	

Q1 Q2 Q3 Q4

4.2.   Audits per Status

Environmental Audits per Status

Legend: Scheduled | In Progress | In Review | Rejected | Approved | Completed

The emphasis in the SIZA programme is on continuous improvement to create better circumstances for all living and working on farms. Therefore, it is important to note that no audit confirmation letter can be issued if all corrective actions are not completed and signed off by the auditor. If audits are not in completed status, it means that the audit process is not completed in full.

Of the 10 audits that were conducted during Q1 and Q2, eight have already been completed and two are approved and awaiting corrective actions which must be uploaded by the producer. It is important to note that timelines are allocated to all the steps in the audit process for both the auditor and the auditee.

4.3. Audits per Risk Category

The SIZA Environmental programme subscribes to being improvement-led rather than audit-led and uses the SIZA audit frequency matrix to support this position. It creates four categories of risk: Platinum, Gold, Silver, and Bronze where the Platinum category has the most stringent qualifying criteria. A SIZA member will be rated according to these risk categories, based on the number and rating of each finding during their audit. As the business must drive continuous improvement and implement the required practices within their business, they should aim to get fewer findings and a higher rating during their next audit.

Environmental Audits per Risk Category

10

2 · 0 · 2 · 6

■ Platinum ■ Gold ■ Silver ■ Bronze
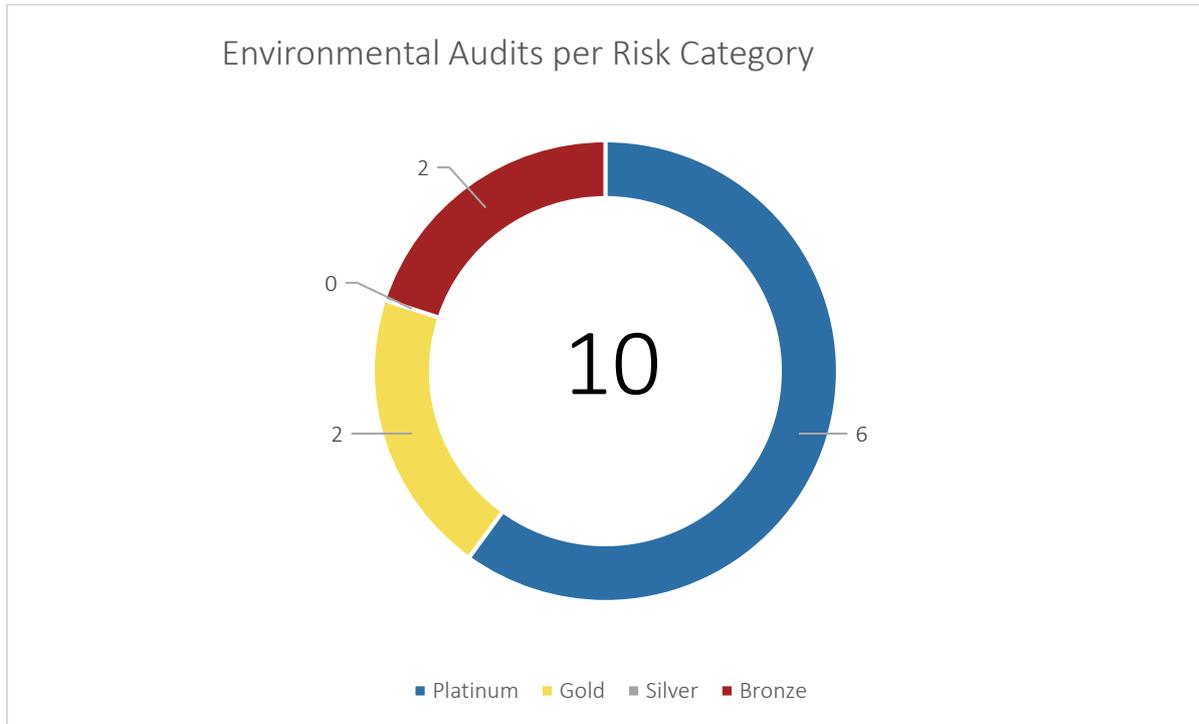
Six of the approved and completed audits for Q1 and Q2 2021/2022 achieved Platinum status.
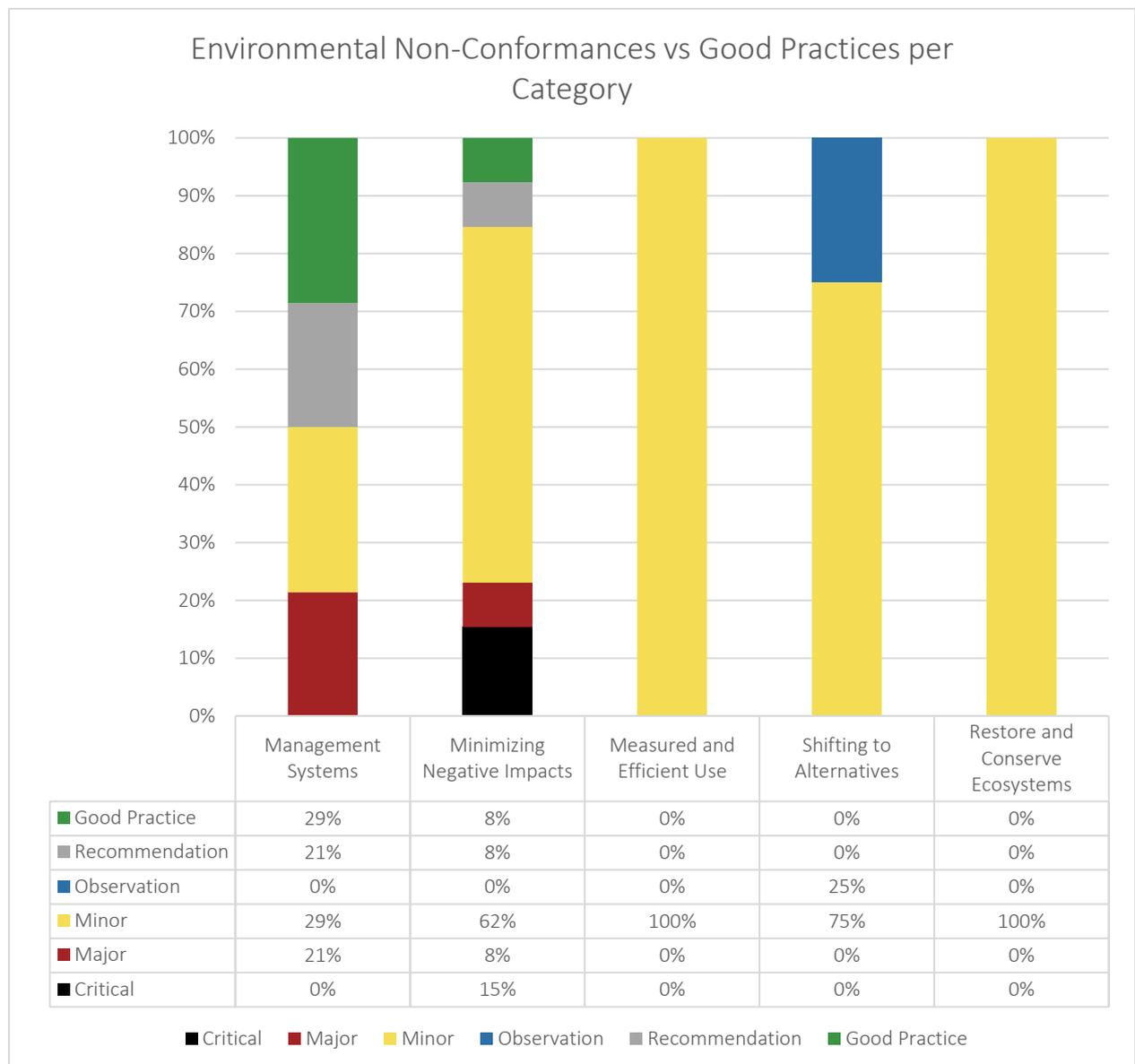
4.4. Non-Conformances

The non-conformances raised during audits are indicative of the risk areas in the industry. Although the total number of non-conformances may increase slightly between periods, this can be explained by the number of audits increasing, as well as increased training among auditors, leading them to be able to identify more areas of non-conformance. SIZA also expanded the audit checklist as well as some new requirements that were included over the last couple of years. It remains evident that SIZA members continue to improve their practices, which is supported through the various training programmes and guidance tools provided by SIZA. This support proves to be of great assistance when rectifying and improving non-conformances.

The SIZA programme monitors compliances in the following areas:

- Management systems
- Measured and Efficient Use
- Minimizing Negative Impacts
- Restore and Conserve Ecosystems
- Shifting to Alternatives

4.4.1. Non-conformances vs good practices per category

Environmental Non-Conformances vs Good Practices per Category

	Management Systems	Minimizing Negative Impacts	Measured and Efficient Use	Shifting to Alternatives	Restore and Conserve Ecosystems
Good Practice	29%	8%	0%	0%	0%
Recommendation	21%	8%	0%	0%	0%
Observation	0%	0%	0%	25%	0%
Minor	29%	62%	100%	75%	100%
Major	21%	8%	0%	0%	0%
Critical	0%	15%	0%	0%	0%

Critical   Major   Minor   Observation   Recommendation   Good Practice

4.4.2.   Non-conformances per category

In Q1 and Q2, most non-conformances (80,43%) fell in three categories, namely:

- Management Systems (14);
- Minimizing Negative Impacts (13); and
- Measured and Efficient Use (10)

Environmental Non-Conformances per Category

- Management Systems
- Minimizing Negative Impacts
- Measured and Efficient Use
- Shifting to Alternatives
- Restore and Conserve Ecosystems
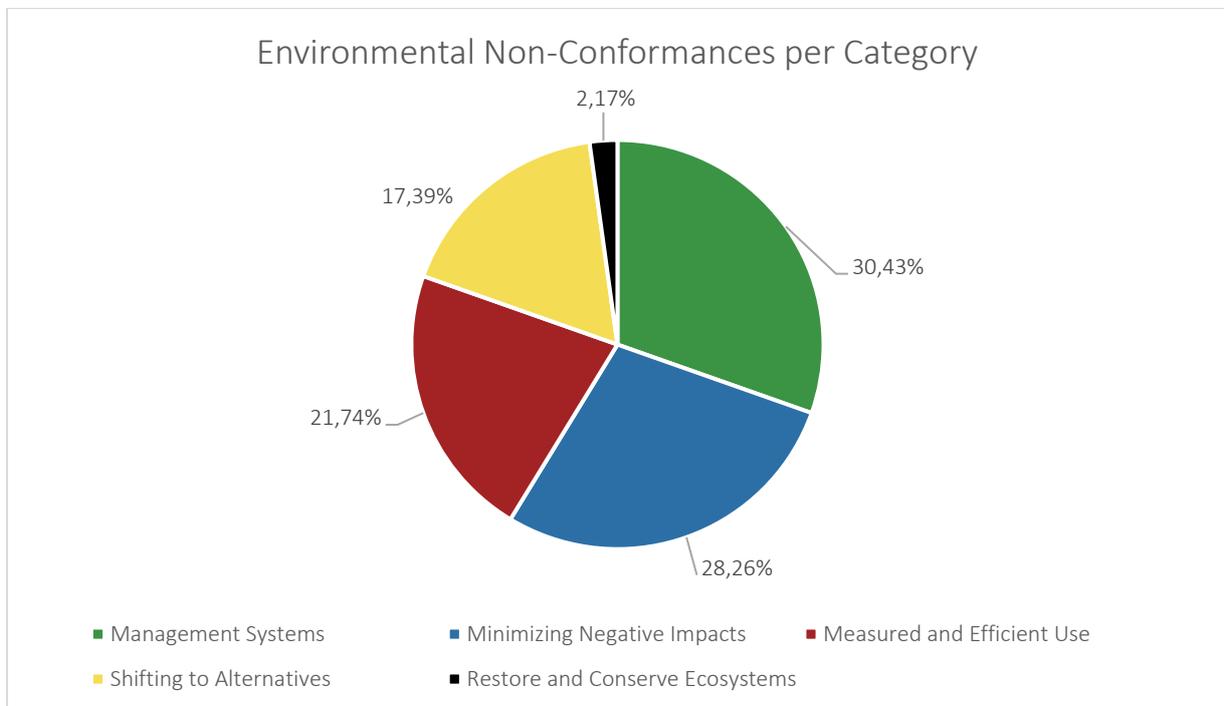
As a measurement in looking at the top three areas of non-conformances, the various audit outcomes under the three top categories can be explained as follows:

Minimizing Negative Impacts

As a high number of non-conformances are raised under this section, it is relevant to note that this section also covers the most questions and requirement areas during an audit which contributes to the number of non-conformances raised. In general, the largest areas of non-conformances within this section lie with the following themes:

- Training of relevant staff in the safe and appropriate IAP clearing methods.
- Chemical filling points not being constructed according to SANS 10206.
- Management not in possession of an invasive alien plant (IAP) clearing plan

Management Systems

The second largest area of non-conformances lies with the implementation of management systems and providing documented proof that management are in possession of plans and procedures to address associated risks. In general, the largest areas of non-conformances within this section lie with the following themes:

- Evidence of water registrations not available on the day of site visit.
- Communication of environmental management policy

Measured and Efficient Use

The third largest area of non-conformances are concerned with measured and efficient use. In general, the largest areas of non-conformances within this section lie with the following themes:

- Recordkeeping of waste going to landfill.
- Calculation of an annual carbon footprint
- Implementation of recycling practices to reduce waste going to landfill

4.4.3.   Risk distribution

The risk of individual producers is categorised by using a scoring matrix which divides risks into categories of Critical, Major, Minor, Observations, Recommendations, and Good Practices. Non-compliances and Observations are classified according to:
-    The frequency of the problem and whether the issue is an isolated occurrence.
-    The potential severity of the problem.
-    The probability of recurrence.
-    The management system in place.
-    The response of the management

A minor non-compliance is:
-    An occasional or isolated problem.
-    An issue which presents a low risk to the environment.
-    A policy issue or misunderstanding where there is no evidence of a material breach.
A major non-compliance is:
-    A breach which represents a danger to the environment.
-    A material breach of a code requirement/law.
-   A systemic violation of a code requirement/law.
A critical non-compliance is:
-    An issue which presents imminent risk to the environment;
-    A major non-compliance that has not been addressed or for which no significant improvement has been made by the time of a follow up audit, despite supplier commitment to resolve the issue.
-    An attempt to pervert the course of the audit through fraud, coercion, deception, or interference.

Risk Distribution

Critical ■ Major ■ Minor ■ Observation ■ Recommendation ■ Good Practice ■
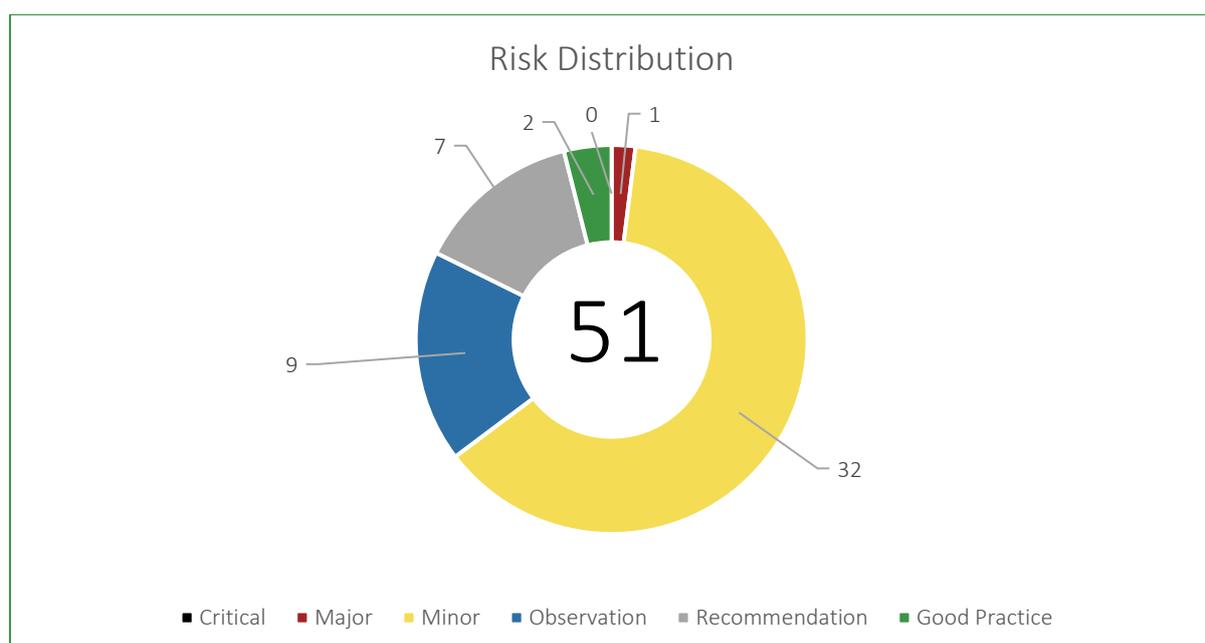
4.4.4. Average number of findings per audit

The graph below indicates the average number of findings that are raised per audit. During the Q1 and Q2 2021/2022 reporting period, an average of 4,28 findings were raised per audit.
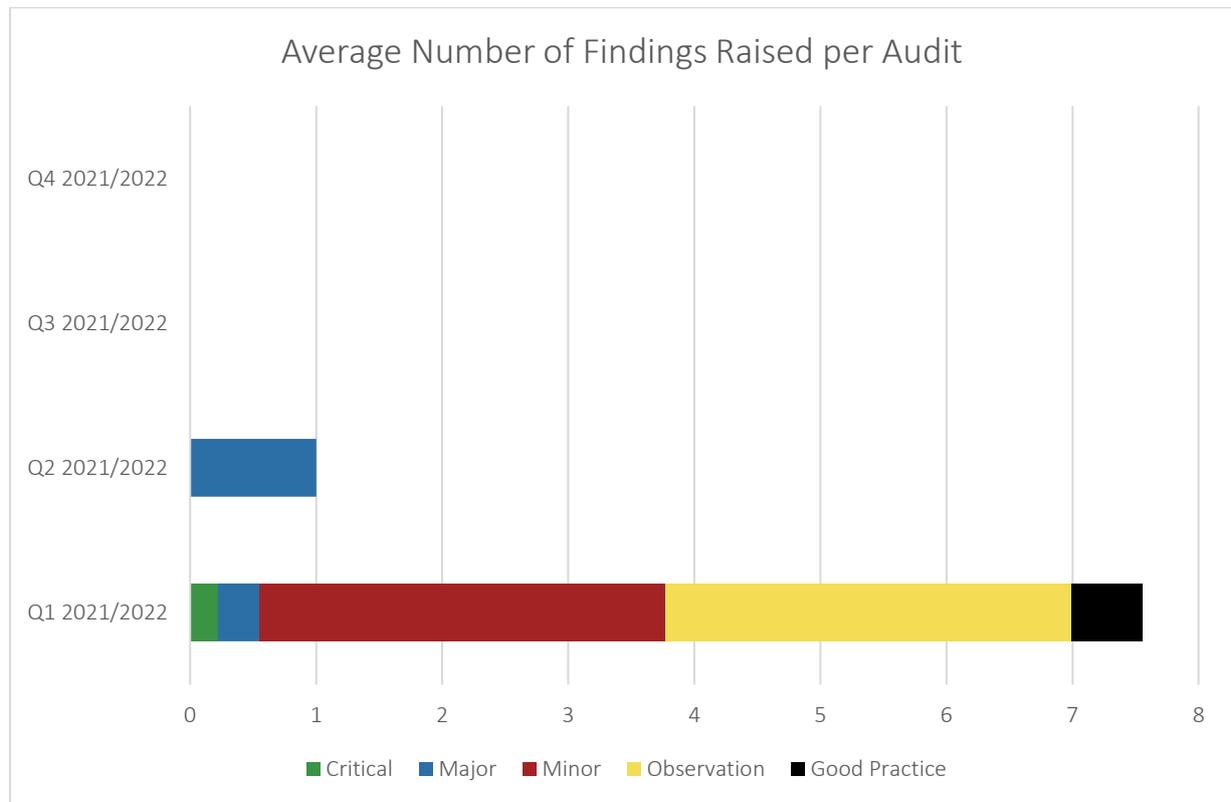

Although the majority of SIZA members received a Platinum risk rating; on average, due to the increased overall number of non-conformances raised on all audits, this results in the average SIZA risk-rating of Gold. This is due to the fact that a member's risk rating will immediately move to Gold if a Major non-conformance is raised or when more than 10 Minor non-conformances were raised. Despite many members receiving a Platinum risk rating, the high number of non-conformances results in the average of a Gold risk rating. The overall risk rating of a SIZA member is calculated on the SIZA Audit Frequency Risk Matrix, available here: https://siza.co.za/wp-content/uploads/Annexure-1-SIZA-Environmental-Audit-Frequency-Matrix.pdf

4.5. Improvements and Corrective Actions

As SIZA is a continuous improvement programme, there is a strong focus on driving improvement on findings during audits. The below graph shows that the majority of findings are closed out timeously during the given timeframes. The submission and closing of findings before the given deadlines is very important as this showcases the commitment from producers to rectify areas of non-compliances, and the audit validity of a producer will be affected if corrective actions are not completed within these deadlines. This will result in more frequent audits, regardless of the initial risk rating received. SIZA actively motivates and supports producers with the completion of the corrective actions which drives improvement within their own business, as well as throughout the agricultural industry. With each corrective action, the business is growing and improving their practices which in turn benefits the workforce and economy.

Period	Open	Document Uploaded	Improvement Uploaded	Expired	Rejected	Closed	Closed Late
Q1 2021/2022	2,89%	3,87%	0,05%	0,00%	1,86%	91,06%	0,26%
Q2 2021/2022	36,84%	10,01%	0,32%	0,00%	1,49%	51,33%	0,00%
Q3 2021/2022							
Q4 2021/2022							

The graph below indicates how non-conformances are closed out over time. Expired non-conformances will result in a follow-up audit during the 12 months following the audit date, while open non-conformances indicate that the producer still needs to upload corrective action(s) in order to show improvement.
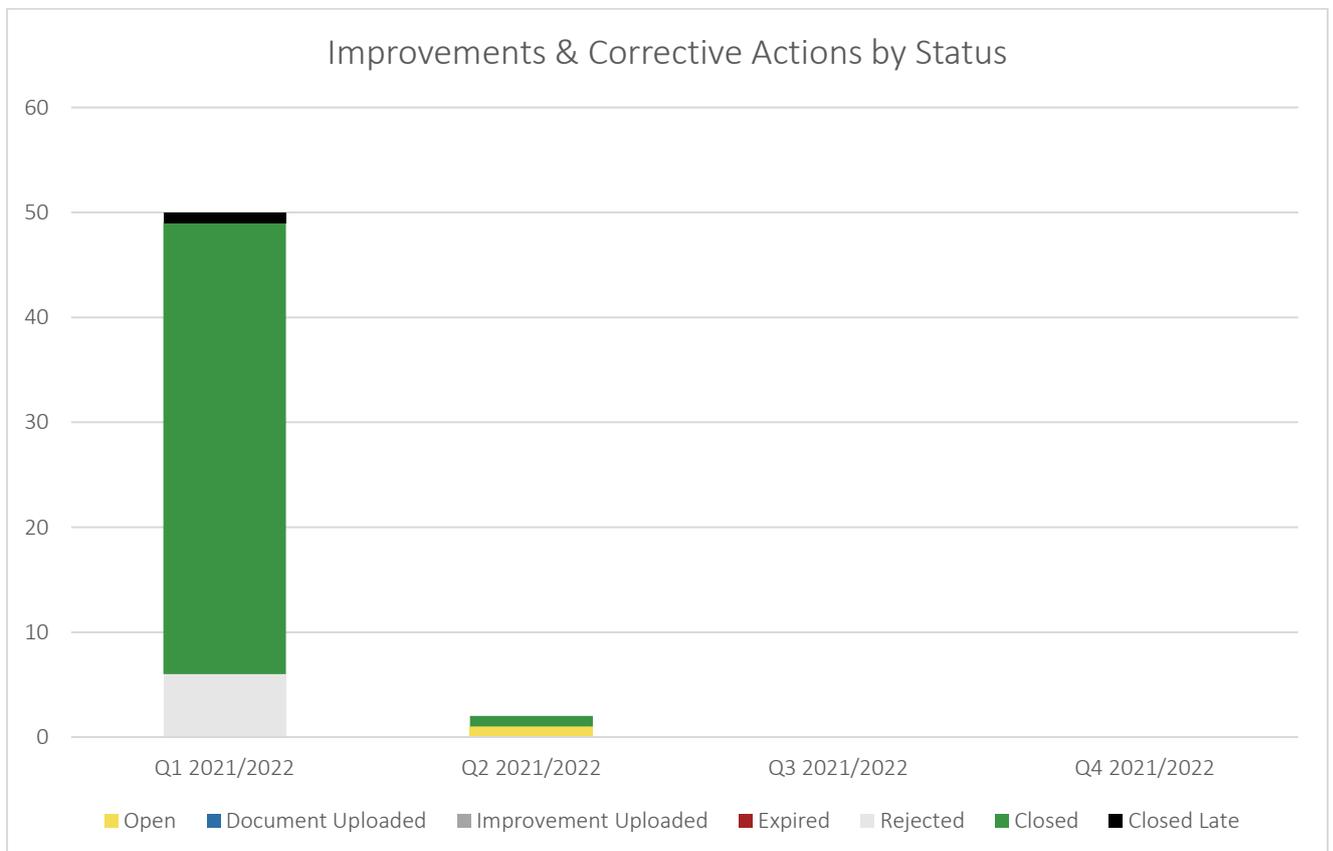
5.   COMMUNITY ENGAGEMENT BEYOND THE SOCIAL AND ENVIRONMENTAL AUDIT

Auditing has been a catalyst for driving sustainable change in the global supply chain for several years. The number of workplace violations were reduced through a principle of driving continuous improvement. Conducting audits on farms, pack houses, processing facilities, and workplaces in general has provided objective measurement to benchmark progress. Yet, auditing is not the only solution. To support SIZA's requirements and drive to ensure businesses' commitment toward their community, the Best Practice online programme was implemented by SIZA in 2018, gives producers the opportunity to showcase areas where they feel they have reached more than compliance, engage in their community, create value, and sustain practices beyond the audit process.

Members can upload details of their community engagement efforts and best practices on *MySIZA,* after which they are reviewed by SIZA admin. If approved, they will reflect as a Best Practices programme in the producer's member listing on *MySIZA*. It will also, together with other data, be visible to linked members (exporters, importers, and retailers) of choice. With this initiative, we aim to showcase best practices of producers and at the same time try to create a balanced view of ethical assurance practices in agriculture by highlighting the various community benefits and impacts achieved by agri-businesses.

The drive toward continuous improvement has been noticed with a significant growth in the submission of community engagement efforts and best practices as part of this online initiative. Producers' drive toward community engagement and having a positive impact on their neighbouring community, town, and area has been of great value. Some of the practices noted are:

- School support provided by producers to employees' children, sometimes also including on-farm schools and educational facilities.
- After care facilities and development programmes.
- Clinics and healthcare facilities onsite.
- Community health roadshows and educational days.
- Facilities made available for women and men from nearby communities to engage in crafts and art and contribute to producing products that in turn support their families.
- Pension funds and contributions to retirement annuities.
- Sport facilities and encouragement (proves very popular with teens and families on farms).
- Housing benefits (free housing on farm, employer provides/buys accommodation at nearby town for employee/family etc.).
- Clearing of invasive alien plants beyond farm border.
- Eco-energy implementation on farms and processing facilities, removing reliance on electricity from the grid.
- Carbon neutrality by balancing practices to put back oxygen into the atmosphere.
- Awareness-raising initiatives on becoming more aware of environmental conservation and sustainability as a whole.

Best Practice Entries

6%

299

94%

■ SIZA Social ■ SIZA Environmental