

# Assurance Model System Review

Field	Information
<b>Document Title:</b>	Assurance Model System Review
<b>Document ID:</b>	QMS_PM_PL_43_Assurance_Review_1.0
<b>Document Type:</b>	Policy
<b>Standard/ Scope</b>	P&C
<b>Work stream, team and function:</b>	Programme Management, Assurance, SSI
<b>Document Owner [job title]</b>	Senior Assurance Manager
<b>Next Review Date:</b>	15-Sept-27
<b>Status:</b>	Active

Version	Date	Description	Author/ editor
1	Jan 2025	Published document	Senior Assurance Coordinator
1.1	20/03/2026	Re-branding and document control	Senior Assurance Coordinator

## Introduction

Better Cotton is committed to ensuring the continued effectiveness and integrity of its assurance model through periodic system reviews.

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 Better Cotton. 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. Better Cotton 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.

External oversight activities are conducted as part of periodic system reviews and are performed at least every 3-years. A delay to this may be considered if other oversight activities are conducted in the same year (e.g. ISEAL assessment or accreditation body approval).

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 Better Cotton'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 Better Cotton's mission.

Better Cotton's approach to producer monitoring and certification is unique from many other standard systems in two regards. First, it aims to balance credibility with scalability and cost effectiveness, through combining third party certification, with first and second party monitoring, as well as including monitoring visits from Better Cotton Country Teams, support visits by PPs and regular self-assessments by Producers themselves.

For context, as of the 2025-26 season Better Cotton is now a certification scheme meaning all certification decisions will be made by a third party. Therefore Better Cotton's assurance model covers producers being certified against the Better Cotton Principles and Criteria under the P&C monitoring and certification requirements. Supply chain organisations buying or selling Physical (Traceable) Better Cotton will be certified to the Better Cotton Chain of Custody Standard under the CoC monitoring and certification requirements.

## Oversight mechanism

The external oversight component of the Assurance System Review consists of 3 core activities, which function as Better Cotton'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 and Certification audits (as of season 25-26), 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 Auditor Performance:** The independent body reviews performance metrics recorded for Certification Bodies, 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, Certification Bodies, 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 Programme Partner (PP) interviews:** The independent body conducts interviews with representatives from Programme Partner organisations. Interviews focus on how PP 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.

**2.5 Shadow Assessment:** The independent body conducts shadow assessment of a sample of 3<sup>rd</sup> 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.

**2.6 Review of Overall System Performance:** The independent body analyses the linkages between different actors and processes comprising the Better Cotton's 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 Assurance 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 Code in particular), and guide Better Cotton's strategies to reinforce its model and mitigate those risks.

## **Internal Assessment and Follow up actions**

Better Cotton 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 Better Cotton's Global Assurance Team, Global Operations Team and Programme Partners.

In response to the findings of oversight activities and internal assessment, Better Cotton 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 minimise 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 Better Cotton Council. The Better Cotton Council is responsible for monitoring and enforcing the implementation of the above activities and any agreed substantive changes to the Better Cotton Assurance Model.

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

## **Competence requirements of the Oversight Body**

Better Cotton 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 Better Cotton approach to Assurance

- iii. Competence to review Better Cotton 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 Code of Good Practice
- vii. Must be independent from any Certification Bodies that are being assessed