

Form 1.9 CanadaGAP Program Code of Ethics

CanadaGAP Food Safety Program

Policy: Conflict of Interest and Impartiality

BACKGROUND

Within this document, all references to the Program refer to the CanadaGAP Program. CanadaGAP is an operating name of *CanAgPlus*, a Canadian not-for-profit corporation.

This policy has been written to conform with the Global Food Safety Initiative (GFSI) requirements. It is also consistent with the Federal/Provincial/Territorial Food Safety Recognition Program's *Government Requirements for a Management Manual of a National Food Safety Program*. Both the Canadian government recognition requirements and the international standards (GFSI, ISO and others) require an organization managing a food safety certification scheme and any outsourced bodies to implement measures to deal with conflict of interest and threats to impartiality.

Food Safety Auditors: Are subject to the policies of the outsourced certification body and the CanadaGAP Program, and are prohibited from having consulted at an operation seeking CanadaGAP certification within two (2) years of undertaking an audit. This restriction applies equally to internal auditors (e.g., in the context of Group certification).

POLICY STATEMENT

1.1 Purpose and Scope

In order to maintain the integrity of the CanadaGAP Program, all work must be conducted with impartiality. This policy is designed to safeguard impartiality and to evaluate conflict of interest, and applies to areas of the CanadaGAP Program where impartiality needs to be maintained including internal affairs, program management, appeals and complaints, conformity assessment, internal audits and auditor training.

1.2 Definitions:

Impartiality - actual and perceived presence of objectivity.

Note 1: Objectivity means that conflicts of interest do not exist or are resolved so as not to adversely influence subsequent activities of the organization.

Note 2: Other terms that are useful in conveying the element of impartiality are: objectivity, independence, freedom from conflict of interests, freedom from bias, lack of prejudice, neutrality, fairness, open-mindedness, even-handedness, detachment, balance.

Consulting/Consultancy – providing directions and specific recommendations or advice on how to achieve compliance with the on-farm food safety requirements.

Examples of consulting include:

- Directly assisting a production unit in addressing corrective action requests, such as making specific recommendations.
- Coaching or advising a production unit on the implementation of their individual food safety program.
- Creating any missing documentation or procedures for a production unit.
- Pre-audits of an operation seeking or currently holding CanadaGAP certification.

Threats to impartiality include:

- Self-interest threats - threats that arise from a person or body acting in their own interest. A concern related to certification, as a threat to impartiality, is financial self-interest.
- Self-review threats - threats that arise from a person or body reviewing their own work.
- Familiarity (or trust) threats - threats that arise from a person or body being too familiar or trusting of another person instead of seeking audit evidence.
- Intimidation threats - threats that arise from a person or body having a perception of being coerced openly or secretly, such as a threat to be replaced or reported to a supervisor.

In addition to the above, the following items are considered as threats to impartiality:

- Acceptance of any gift, payment, loan or other favours from customers, suppliers or competitors. This also applies to the person's immediate family.
- Auditing a production unit or an outsourced body in which the auditor has direct or indirect ownership, stands to gain or lose financially from the outcome of the audit, or has any immediate family relationship with the ownership or management.
- Accessing another person's personal information unless authorized to do so.
- Voting on actions to obtain personal advantage.
- Auditors making decisions on certification.

Activities that are not considered a threat to impartiality:

- Audit and certification activities including:
 - Information meetings with the client
 - Planning meetings with the client
 - Examination of client's documents
 - Auditing and follow-up of non-conformities
- Arranging and participating as a lecturer in training courses, provided that where these courses relate to food safety programs and auditing, they should confine themselves to the provision of generic information and advice that is freely available in the public domain (i.e. not provide company specific advice).
- Activities prior to the audit aimed solely at determining readiness for assessment, as long as such activities do not result in recommendations or advice.
- Identifying opportunities for improvements without offering specific solutions.
- Explaining audit findings and or clarifying requirements of the standard during an audit without providing consultancy.
- Providing food safety or regulatory references (e.g., referring the client to government bodies or websites for further information).
- Providing information or clarifying requirements of the standard prior to an audit or of a training course, so long as such activities do not result in recommendations or advice.

- The provision of agronomic advice not related to the CanadaGAP program.

Personnel – all persons involved directly with the CanadaGAP Program, including those employed or engaged by CanAgPlus; the Board of Directors, Technical Advisory Committee or other committee members; and those employed or engaged by outsourced certification bodies (e.g., third party auditors, persons involved with certification decision-making, etc.) or other outsourced bodies.

1.3 Requirements

Having relationships does not necessarily present a conflict of interest. However, if any relationship creates a risk to impartiality, the personnel or auditor shall report such risk to CanadaGAP (Executive Director or Chair of the Board of Directors of CanAgPlus), and/or to the outsourced certification body, document how s/he eliminates or minimizes such risk and shall be able to demonstrate this to interested parties. The demonstration shall cover all potential sources of conflict of interests that are identified, whether they arise from within or from the activities of other persons, bodies and organizations.

A relationship that threatens impartiality may be based on ownership, governance, management, personnel, shared resources, finances, contracts, consulting, marketing, etc.

Personnel and Auditors are required to disclose in writing, any situation known to them that may present them or the CanadaGAP Program with a conflict of interest. This information is used as input to identify threats to impartiality raised by the activities of the person, and the CanadaGAP Program shall not use such person unless they can demonstrate that there is no conflict of interest. Any potential conflict of interest situations will be reviewed by the Chair of the Board of Directors as required in conjunction with a committee of two or more Directors of CanAgPlus, to ensure appropriate actions are taken to mitigate the conflict.

Note: The auditing of an operation by a person who is known to have provided consultancy to that operation unit within the previous two years is considered a high threat to impartiality. Likewise, if a Group uses an internal auditor who has advised, consulted with or otherwise assisted the Group or its members within the previous two years, this is considered a high threat to impartiality.

Auditors and Personnel who could influence CanadaGAP Program activities shall act impartially and shall not allow commercial, financial or other pressures to compromise impartiality. Annually, all auditors or personnel, internal and external, must sign a copy of the CanadaGAP Program Code of Ethics and the Conflict of Interest Declaration [Annexes 1 and 2].

Auditors and other certification personnel will not be assigned to audit or make certification decisions on operations in which they have an immediate family relationship, financial interest or have provided consultancy on the unit's food safety program within the last two years. If it is found at a later date that work was mistakenly allocated to a person who meets these criteria, the details will be recorded and reported to the Chair of the Board of Directors as required in conjunction with a committee of two or more Directors of CanAgPlus, who will decide on corrective actions.

ANNEX 1

Code of Ethics for CanadaGAP Program Auditors and Personnel

The Auditor or CanadaGAP Program personnel, internal and external, agrees to:

- 1) Act solely in the best interest of the CanadaGAP Program, and its clients, in the performance of their duties;
- 2) Conduct themselves professionally, with truth, accuracy, fairness and responsibility;
- 3) Not misrepresent their qualifications, competence or experience, nor undertake assignments beyond their capabilities;
- 4) Treat in a confidential and private manner all information gained in relation to any of the organization's identified activities respecting organizations or individuals; unless authorized in writing to disclose such information by the organization, and the organization's client (when applicable), and will not discuss such information with anyone except those who have a need to know the information for legitimate purposes of CanadaGAP Program processes;
- 5) Treat in a confidential and private manner all information gained in relation to any of the above entities' activities wherein such information may include, inter alia:
 - any device, graphics, written material or other information in tangible or intangible form, clearly identified as "confidential", relating to the activities of the organization;
 - any device, graphics, written material or other information in tangible or intangible form, identifiable as private by the nature of its content and/or context;
- 6) Treat in a confidential and private manner all information which may be considered "confidential" when the prudent judgment of an organization could determine that such information is private and confidential to the organization, and recognize that the organization may receive information that is not identified clearly as confidential but which may be perceived as confidential;
- 7) Not intentionally communicate false or misleading information which may compromise the integrity of the CanadaGAP Program, its auditor training program, its certification processes or decisions therein or its government recognition or external benchmarking status;
- 8) Be able to act professionally under adverse pressure from their employer and organizations being audited;
- 9) Disclose all material facts known that, if not disclosed, may compromise the integrity of any audit or the CanadaGAP Program or reporting of activities;
- 10) Not represent conflicting or competing interests and will disclose to any client and the CanadaGAP Program any relationships that may influence judgment or that may be seen as a conflict of interest;

- 11) Not use information for personal gain or in any manner that would be contrary to the law or detrimental to the objectives of the CanadaGAP Program;
- 12) Not audit or participate in certification decision-making for an operation in which they have coached or advised on the implementation of a food safety program within a two-year time period, and not directly assist an operation in addressing corrective action requests;
- 13) To willingly participate in internal or third party assessments of their performance;
- 14) Not accept any inducement, gift, or other benefit that may impair or be presumed to impair professional judgment;
- 15) To perform all work with honesty and diligence, observe the law and not knowingly be party to any illegal activity;
- 16) Not act in any way that would prejudice the reputation of the CanadaGAP Program or the audit process and cooperate fully with any inquiry in the event of any alleged breach of this code.
- 17) Not use or attempt to exercise any real or perceived influence that those associated with the CanadaGAP Program may have, to intervene in matters related to CanadaGAP certification or individual audits. Committee and working group members, and others similarly connected to the program, acknowledge that they are in potential positions of influence. Areas in which impartiality must be maintained, and/or in which it is unacceptable to attempt to use one's influence to affect outcomes, include but are not limited to: certification status; auditor assignment; audit scheduling; audit results, auditor or certification body interpretation of CanadaGAP requirements, scoring and reporting; certification decisions; filing or resolving appeals, disputes, complaints; etc.

CONFIRMATION OF COMPLIANCE WITH CODE OF ETHICS:

Statement: "I will comply with the CanadaGAP Program Code of Ethics".

Name:

Signature:

Date:



ANNEX 2

**Conflict of Interest Declaration
for CanadaGAP Program Auditors & Personnel**

Pursuant to the Program Code of Ethics adopted by CanadaGAP, I hereby disclose the following interests (attach additional pages as required and indicate N/A/ in **each** question if it is Not Applicable):

Name any other horticultural boards or associations that I have association with:

The following is a list of all horticultural industry-related financial business interests, investments, shareholdings, etc. that I have:

The following are financial interests that are known to me of extended family members in the horticultural industry:

The following are businesses that I, or my family, have an ownership interest in, or am/are employed with, which I may conduct horticultural related business with during the course of the year. This includes business that I have advised or worked with in any manner. Describe the nature of the relationship and/or work done for the businesses identified below:

The following are businesses that I, or my family, have an ownership interest in, or am/are employed with, which I may conduct **CanadaGAP Program** related business with during the course of the year. This includes business that I have advised or worked with in any manner. Describe the nature of the relationship and/or work done for the businesses identified below:

I will take the following mitigation measures or actions to avoid threats to impartiality and conflict of interest:

Name:

Signature:

Date:



ANNEX 3

**Auditor Declaration of
Potential Conflict of Interest Related to Audit Assignment**

Pursuant to the Program Code of Ethics and Policy on Conflicts of Interest and Impartiality adopted by CanadaGAP, I hereby disclose the following potential conflict of interest with a client assigned to me for an audit:

Assigned Audit Client (Name of Operation): _____

Describe nature of potential conflict of interest (e.g., auditor is involved in production or handling of the same horticultural crops as the auditee; auditor provided consulting services to auditee within the last two years, etc.):

Name of Auditor: _____

Signature: _____

Date: _____

CERTIFICATION BODY USE:

Date received from auditor: _____

Is there a need to contact the client (e.g., if auditor is involved in production or handling of the same horticultural crops as the auditee)? Yes ___ No ___

CB representative who contacted the client: _____

Date client was contacted: _____

Does client accept the assigned auditor? Yes _____ No _____

If no, confirm that another auditor has been assigned to this audit: Yes _____

Date filed: _____