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Three-year Audit Guidelines

Revised May 2022

Introduction

The FisheryProgress FIP Review Guidelines state: “Every three years from the date the profile is posted on [FisheryProgress.org](https://fisheryprogress.org), comprehensive FIPs are required to have an independent in-person audit of action results and performance against the MSC standard by someone who is both experienced with the MSC standard (e.g., is a [registered MSC technical or associate technical consultant](#) or [accredited conformity assessment body](#) or has [other demonstrated qualifications approved by the reviewer](#)) and independent from the organization implementing the FIP.” The purpose of the three-year audit is to assess the current performance of the fishery, verify the reported FIP progress, and potentially provide the FIP with recommendations for improvement.

Frequently Asked Questions

Below are frequently asked questions about meeting the three-year audit requirement.

When is my audit due?

Independent, in-person audit reports must be completed at least every three years. The FIP’s first audit is due within three years of the publication of the active FIP profile on FisheryProgress. Each following audit must be completed within three years of the most recently completed audit.

What is meant by “in person”?

The three-year audit is required to be conducted in person; it is not a desk-based exercise. In person could mean it is completed at the location of the fishery or FIP stakeholders, or where workplan actions take place. The independent auditor should present the FIP implementer with a list of the individuals/organizations they would like to visit during the audit and the auditor and FIP implementer should jointly determine the most appropriate site locations. For additional guidance on conducting stakeholder consultation, see Annex GPX of the [MSC Fisheries Certification Requirements and Guidance Version 2.0](#).

What is meant by “independent”?

The audit must be completed by a [qualified consultant](#) that is not a FIP participant or FIP lead. It is acceptable for the consultant to have been previously engaged in the FIP (e.g., MSC consultants or CABs who developed pre-assessments, scoping documents, or workplans for the FIP), but they must not have been employed by one of the FIP leads or FIP participants within the past three years.

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What is required for the three-year audit?

The FIP must use the three-year audit report template, and must upload the completed audit to the FIP's profile within one month of the FIP's report deadline to fulfill the audit requirements. The audit template can be downloaded on [here](#).

Do I have to complete an annual progress update as well as the three-year audit?

Yes, FIPs will still need to update all 28 MSC performance indicators using current information and provide a full update on action progress on FisheryProgress. We strongly encourage FIPs to use information from the audit in years they complete them to inform the annual progress update. This may include:

- Updating MSC performance indicator scores
- Updating profile information (location, gear types, vessels, FIP landings, etc.)
- Adding or changing to actions and tasks in the FIP's environmental workplan as recommended by the auditor (if applicable)

FIPs should align the three-year audit with their annual progress report date for this purpose.

How will FisheryProgress review the three-year audit report?

Upon submission of the audit, FisheryProgress will:

- **Verify that the audit report is filled out correctly and completely.** The reviewer will confirm the FIP used the three-year audit template, and that the template is completed correctly. This includes a review of the Workplan Results section to verify that the stated results meet our requirements. FisheryProgress defines a result as:
 - A regulatory policy change or regulatory action to improve the fishery (e.g., a new bycatch provision), or fishing practice change (e.g., a change in fishing gear developed voluntarily and implemented by the FIP) to improve the fishery
 - A publicly verifiable positive change in the water (e.g., an increase in biomass of target stock, an increase in population of impacted protected species, a decrease in habitat or ecosystem impacted)
 - An activity that led to an MSC performance indicator score change in the fisheryFIP participants must have directly worked on or contributed to the workplan result through one or more actions/tasks in the FIP's environmental workplan, and an accompanying explanation must describe how the FIP's work played a role in delivering the reported result. During the review process, if attribution/contribution is not clear, FisheryProgress may ask that workplan results be modified or removed from the three-year audit report or for the FIP profile to be modified accordingly.
- **Confirm the audit is submitted properly.** The reviewer will confirm the audit is posted on FisheryProgress under the "Independent Audit" field in the details tab, along with a short description of the audit.

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What happens if the audit is incomplete?

If the reviewer finds the audit to be incomplete and/or the deadline has passed, FisheryProgress will render the FIP inactive until the audit has been submitted, reviewed, and published to the profile.

How do I submit my audit?

FIPs can submit their audits by:

- Uploading the audit document in the “Documents” tab in FisheryProgress in the Independent Audit field. The audit will be public and available for download.
- Email the FisheryProgress team (contact@fisheryprogress.org) to let them know that the audit document is ready to review.

When should I start planning?

Identify a consultant that meets FisheryProgress requirements and provide FisheryProgress with auditor qualifications **at least 6 months before the annual report date**. Also, we recommend FIPs begin the audit process **at least 3 months before the annual report date**.

What if my FIP has transitioned from basic to comprehensive?

Basic FIPs that transition to comprehensive must complete this audit requirement three years after the change to the FIP type is made. For example, if a FIP transitions from basic to comprehensive in January 2022, the three year audit would be due in January 2025.

Costs and timing for audits

We received survey feedback from several FIPs that have already completed their audit reports. From those FIPs, it took auditors (n=12) an average of 4 days to conduct the three-year audit. FIP leads (n=16) spent an average of 10 days preparing for and managing the three-year audit process.

Other survey data that can be used for reference includes:

- 78% of FIPs felt that it was worth the cost to have the audit completed
- Audit costs can vary greatly across FIPs, with consultant costs (not including travel) ranging from US\$1,300 – 18,400 per FIP (US\$6,300 average)
- The average cost of an in-person audit was US\$11,535
- The average cost of working with a CAB was US\$10,267, while the average cost of working with an independent consultant was US\$5,241
- 44% of FIPs reported that there was some level of cost-sharing among FIP stakeholders to pay for the audit
- 69% of FIPs reported that industry covered the audit cost
- The three-year audit report can take between 1 – 10 days (4 days average) to complete over the course of several weeks

Tips for saving on audit costs

- FIPs can work together within a region to harmonize timelines and pool resources for a region-wide, multiple-FIP audit. The FisheryProgress team is available to help with this.

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- FIPs can take advantage of existing regional consultant capacity. A list of [qualified consultants](#) in each region can be found on FisheryProgress.
- Audit reports can be completed by a single individual as long as they meet the consultant criteria; a team is not required.

When evaluating consultant proposals, please note that the audit report template was developed to be as short and concise as possible; it includes all the necessary information for the three-year audit report requirement and therefore additional documentation should be minimal.