IATF Rules 6th Edition Q&A Session

19 November 2024

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Agenda

1. Welcome
2. Please make sure your microphone is muted for the duration of the webinar
3. Please remember that there will be no live questions (even through the Team chat function) permitted during this webinar
4. ADP Rules 6th Training and Quiz module
5. Section 1.0 – Eligibility
6. Question and Answers from the 4th of October submissions
7. Closing Remarks

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ADP Rules 6th Training and Quiz Module

Rules 6 qualification requirements involve the completion of an online Rules 6 Training module in the ADP (incorporating embedded quizzes to confirm understanding), followed by completion of a final graded Rules 6 Test of Understanding requiring at least an 80% score to pass.

Candidates will have an initial attempt and up to three retake attempts (four total attempts) to pass the Test of Understanding. The test is open book and not timed or proctored. Retakes will be provided automatically upon failure.

Rules 6th training module was released on 24 September 2024 in the ADP.

Auditors that have not successfully completed the training and Test of Understanding will not be able to conduct audits after 1 January 2025.

Section 1.0 – Eligibility

- For years, the IATF has continually endeavored to clarify eligibility for IATF 16949 certification
  - IATF revised existing Rules 5th Edition requirements with SIs 7 and 21 in November 2023, to expand eligibility for IATF 16949 certification to include aftermarket part manufacturers
  - The most recent attempt is included in Rules 6th Edition, Section 1.0, that includes the expansion of eligibility for IATF certification to organizations for previously excluded vehicle types
  - Though improved, the inclusion of requirements for every unique organization situation is not possible
- In drafting the Rules 6th Edition requirements, the team attempted to simplify the language and improve its understandability
- This webinar will focus on each paragraph of Section 1.0 (excluding 1.1) to provide clarity around the language and answer questions that have been received by global oversight regarding the changes

Section 1.0 – Eligibility

Paragraph 1 states, *"only organizations that manufacture and, where applicable, design and develop **automotive products** and **vehicles** are eligible for IATF 16949 certification."*

Automotive products = parts and processed materials.

Eligible when:

- ✓ The organization manufacturers a "part" for an automotive vehicle
- ✓ The organization makes a "processed material" that goes into an automotive vehicle

Ineligible when:

- ⊗ The organization does not manufacture a "part" or "processed material". Example: Organization that has a sales contract to manufacture an automotive part or a processed material, but the organization outsources the manufacturing to another company (formerly known as Fabless)
- ⊗ The organization does not meet the definition of manufacturing. Example: An organization that only has design, testing, warehousing, etc.
- ⊗ The organization makes a "part" or "processed material" for a vehicle that does NOT meet the definition of an automotive vehicle. Example: An organization that manufactures parts for off-highway vehicles.

Section 1.0 – Eligibility

Paragraph 2 states, *"…**automotive vehicles** shall be understood as homologated vehicles that are **intended to be driven** on public roads."*

"**Intended to be driven**" = meant to be or the primary purpose of the vehicle

"**Homologated vehicles**" = the process of certifying that a vehicle complies with the necessary technical and legal requirements to be deemed roadworthy and safe for public use. These requirements encompass a wide range of aspects, including safety features, emissions, performance, and construction standards

This language was introduced in Rules 6th Edition with the intention of making it easier for readers to understand the types of automotive vehicles for which eligible organizations are permitted to supply parts and processed materials.

Section 1.0 – Eligibility

- Organizations manufacturing parts or processed materials for the following types of vehicles are eligible for IATF 16949 certification if they are homologated:
  - ✓ Cars, Trucks, Buses, Heavy Trucks, Motorcycles, Recreational vehicles (e.g., campers), and certain specialty vehicles (e.g., police car, ambulance, fire truck, cash carry can, taxi, school bus), even if not manufactured by the OEMs.
  - ✓ In certain countries, this might include Trailers, Scooters, auto Rickshaws, etc.
  - ⊗ If it cannot be driven on a public road (i.e., not homologated, no license plate), then organizations manufacturing parts or processed materials are NOT eligible for IATF 16949 certification

CBs will need to verify during the application process if the parts or processed materials being manufactured are going on a homologated vehicle.

Section 1.0 – Eligibility

Paragraph 4 provides a definition for **manufacturing**, *"a process that includes at least one value-added activity that further transforms the process input material and/or part into a semi-complete or complete state."*

A manufacturing process may include multiple techniques to make or fabricate (transform) an automotive product. This includes processes such as, but not limited to:

- Assembly, casting, extrusion, heat treatment, machining, molding, plating, painting, soldering, etc.

✓ Organizations that carry out these types of processes for automotive customers are eligible for IATF 16949 certification

⊗ Organizations that only provide services such as sorting, kitting, testing, inspection, packaging, and warehousing, for example, are not eligible for IATF 16949 certification

Section 1.0 – Eligibility

Paragraph 3 states, "***automotive products***" *shall be understood as the following*:

a) Parts (including those with embedded software) and processed materials which are manufactured to an automotive customer's specifications and integrated into the automotive vehicle during its manufacture ("Production parts" or "Production materials").

b) Parts manufactured to OEM specifications that are procured or released by the OEM and integrated into the automotive vehicle after its manufacturer and before or after delivery to the final customer ("Accessory Parts").

c) Replacement parts and materials, including remanufactured parts.

Let's get into more detail in the following slides…

Section 1.0 – Eligibility

*"…**automotive products** shall be understood as the following":*

a) Parts and processed materials which are manufactured to an automotive customer's specifications and integrated into the automotive vehicle during its manufacture ("Production parts" or "Production materials").

Integrated = parts or processed materials that are filled into, attached to, connected to, or placed in or on the vehicle.

This could include, but is not limited to:

- ✓ Oil, anti-freeze, brake fluid, engine coolant, sealants, battery electrolytes, windshield washer fluid, floor mats, truck/cargo liners, towing hitch, front grill bar, roof rack rails, decals, emblems/badges, tire inflator, etc.

Section 1.0 – Eligibility

Processed materials = outputs of a manufacturing process, such as solids, liquids, gases or a combination thereof…. whose amount is measured as a continuous characteristics (e.g., weight, volume, linear meters, etc.) and are typically delivered in bulk systems (e.g., drums, bags, tanks, cans or rolls). This could include, but is not limited to:

Ingots, sheet metal, rolls, bars, and rods, plastic pellets, grease, sealant, copper wire, adhesive, lubricants like engine oil, and transmission oil, fluids like windshield washer fluid or brake fluid…

These parts and processed materials are an integral part of the vehicle.

⊗ **Raw material** is not considered a processed material. Raw material could include things like, iron ore, sand, crude oil, minerals for EV batteries, hides for leather, wood, etc.

Organizations that extract raw materials from the earth without further processing to transform (or process it) through a manufacturing process are not eligible for IATF 16949 certification.

Section 1.0 – Eligibility

"...***automotive products*** shall be understood as the following":

b) Parts manufactured to OEM specifications that are procured or released by the OEM and integrated into the automotive vehicle <u>after</u> its manufacture and before or after delivery to the final customer ("Accessory Parts").

Integrated = parts that are attached to, connected to, or placed in or on the vehicle.

The key concepts in the definition of accessory parts are:

- ✓ Made to OEM specifications
- ✓ Procured or released by the OEM
- ✓ Integrated into a vehicle by the OEM dealership AFTER its manufacture and before or after delivery to the final customer

Accessory parts may include, EV charging cord, spoilers, mud flaps, exterior lighting features, roll bars, sunroof shield, decorative trim, specialty lift devices, specialty exhaust, roof racks, cargo carriers, performance chips, backup cameras, remote start systems, etc....

Section 1.0 – Eligibility

*"…**automotive products** shall be understood as the following":*

c) Replacement parts and materials, including remanufactured parts.

Defined as: Parts and materials, including service, aftermarket and remanufactured parts and materials, used for repair and maintenance services on automotive vehicles.

- ✓ **Service parts =** replacement parts manufactured to OEM specifications, procured or released by the OEM for service-part applications
- ✓ **Aftermarket parts** = replacement parts not procured or released by an OEM
- ✓ **Remanufactured parts** = a component or assembly that has been rebuilt to meet the original specifications (i.e., remanufactured parts for service and/or remanufactured part for aftermarket)

Aftermarket products that have no equivalent part released by the OEM would not be eligible for IATF 16949 certification.

Customers, in terms of replacement parts, are those retailers that procure and sell replacement parts to the public, such as auto repair shops, body shops, auto part retail stores, etc…

Section 1.0 – Eligibility for certification to IATF 16949

Question:

The definition of replacement parts includes the word “aftermarket". Can replacement parts also be manufactured for aftermarket by a manufacturing company without having an OEM supply chain purchase order?

Answer:

Yes. The term "aftermarket" encompasses parts and processed materials used for repair and maintenance services on automotive vehicles. This broad definition includes parts that may not be directly purchased by an OEM but are still used in the automotive supply chain for vehicle maintenance and repair.

Section 1.0 – Eligibility

Question:

The Rules defines ***automotive customer*** as, *"any organization in the automotive supply chain that purchases automotive products."*

1. Are customers of aftermarket parts (e.g., automotive retail stores) belonging to the automotive supply chain?
2. If yes, do we list them in the CARA report?

Answer:

1. If the aftermarket part meets the definition of a replacement part, then the organization purchasing those replacement parts is the customer. Customers, in terms of aftermarket replacement parts, are those retailers that procure and sell aftermarket replacement parts to the public, like auto repair shops, body shops, automotive retail stores, etc.
2. Yes.

Section 1.0 – Eligibility for certification to IATF 16949

Question:

How to define the boundaries of the scope of certification for the replacement parts based on below scenario:

Some replacement parts may not be produced according to the original OEM specification and undergo some modification by the organization who is supplying the replacement part. Does it mean that the organization shall be responsible for product design?

Answer:

Some types of replacement parts may not be produced to original OEM specification (i.e., aftermarket or remanufactured). If the organization is making the part to a different specification, then organization shall be considered design responsible.

Section 1.0 – Eligibility for certification to IATF 16949

Question:

An organization that does not supply to OEMs, Tier 1, Tier 2, Tier 3 suppliers, etc., but only to dealers—are these companies considered responsible for design?

Companies in Brazil that supply only to dealers and generally manufacture products based on their own projects (reverse engineering) under ISO 9001 - are these companies eligible for IATF 16949 certification?

Answer:

Yes, if the dealer is purchasing the automotive replacement part from the organization manufacturing it, they are eligible for IATF 16949 certification.

Section 1.0 – Eligibility for certification to IATF 16949

Question:

1. Are organizations that produce parts supplied to dealers (e.g., automotive retail stores, car service centers, etc.) and installed in consumers cars eligible for IATF 16949 certification?

2. Regarding replacement parts, if an organization manufactures according to OEM specifications but sells them on the retail market, does it fall under the organization subject to certification? How can I be sure it is manufactured according to OEM specifications?

Answer:

1. Yes. Organizations that produce parts to replace original parts on the vehicle are eligible for IATF 16949 certification.
2. Yes. Even if these parts are sold on the aftermarket, they are eligible for IATF 16949. Aftermarket replacement parts may not be manufactured to an OEM specification.

Section 1.0 – Eligibility for certification to IATF 16949

Question:

Should “aftermarket”, “service” and or “remanufactured” be included in the certificate scope statement?

Answer:

Yes, if the organization is providing a product that meets the definition of a replacement part, the certificate scope statement should include the word aftermarket, service and/or remanufactured.

E.g., the scope statement would be:

- The design and manufacture of oil filters for production and service. The manufacture of oil filters for aftermarket.
- The manufacture of oil filters for service and aftermarket.
- The remanufacture of diesel particulate filters.

Section 1.0 – Eligibility

Rules 5th Edition stated, *"A client performing value-added activities on their customer's premises can be considered as a remote support location of a site but is NOT eligible for stand-alone certification. The function would be identified as "service" on the IATF certificate."*

Rules 6th Edition states, *"Under exceptional circumstances in which the client's manufacturing activities are carried out at a customer's location, it will be considered as a standalone remote support location of the client's manufacturing site, and the function will be identified as "servicing" on the manufacturing site's certificate."*

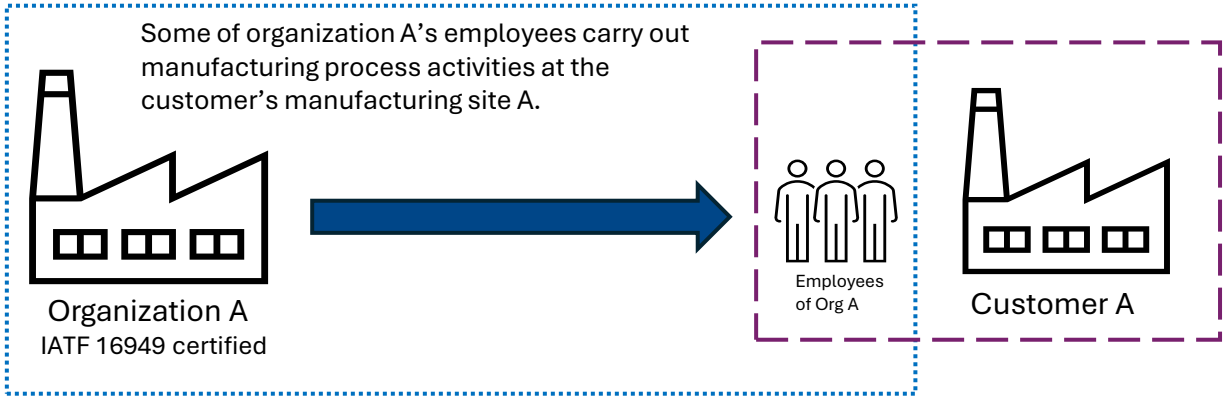
Why is the language slightly different?

It is the same concept and intent, except the term "servicing" should be used instead of term "service" because "service" is not listed as an acceptable support function name in Rules 6th Annex 2, List of Support Functions.

Section 1.0 – Eligibility

Example of a client's manufacturing activities carried out at a customer's location

☑ Acceptable Example



The customer's address is added to organization A's IATF 16949 certificate as a standalone support location (SA-RSL) with the activity of "servicing".

Section 1.0 – Eligibility for certification to IATF 16949

Question:

In Note 3 of the Remote Support Location section, it talks about manufacturing activities at customer's location - what does it include? Does warehouse, rework / repair / segregation managed at customer location / premises are also part of this SA-RSL with "servicing' function?

Answer:

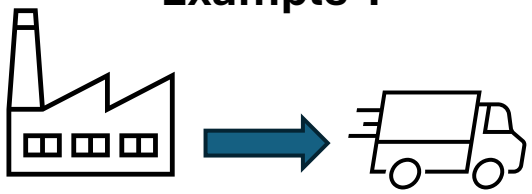
Warehouse, sequencing and segregation of product are not considered a manufacturing activity and would not be considered “servicing” function. However, rework and repair can be included in the certification scope under the "servicing" function, provided they are included in the client’s QMS.

Section 1.0 – Eligibility

Paragraph 8 states, *"If a manufacturing site supplies to a customer requiring third party certification to IATF 16949, then all automotive customers of the site shall be included in the scope of audit."*

- The client cannot choose which automotive customers should or should not be included in its audit scope.

Example 1

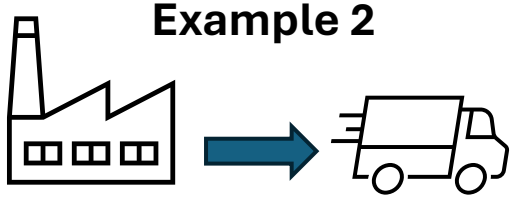


Mfg. site A

Customers:
- IATF OEM (requires IATF 16949)
- Non-IATF OEM
- Tier 1

The activities associated with the above automotive customers (i.e., IATF OEM, Non-IATF OEM, Tier 1) are included in the audit scope.

Example 2



Mfg. site A

Customers:
- Non-IATF OEM
- Tier 1
- Automotive retail stores

If none of the customers requires IATF 16949 certification, but the client chooses to be certified to IATF 16949, then all activities associated with the above automotive customers (i.e., Non-IATF OEM, Tier 1, Automotive retail store) are included in the audit scope.

Section 1.0 – Eligibility

Paragraph 11 states, *"Each manufacturing site and each standalone remote support location (SA-RSL) shall be audited and certified by only one (1) IATF-recognized certification body during the contractually agreed period of certification."*

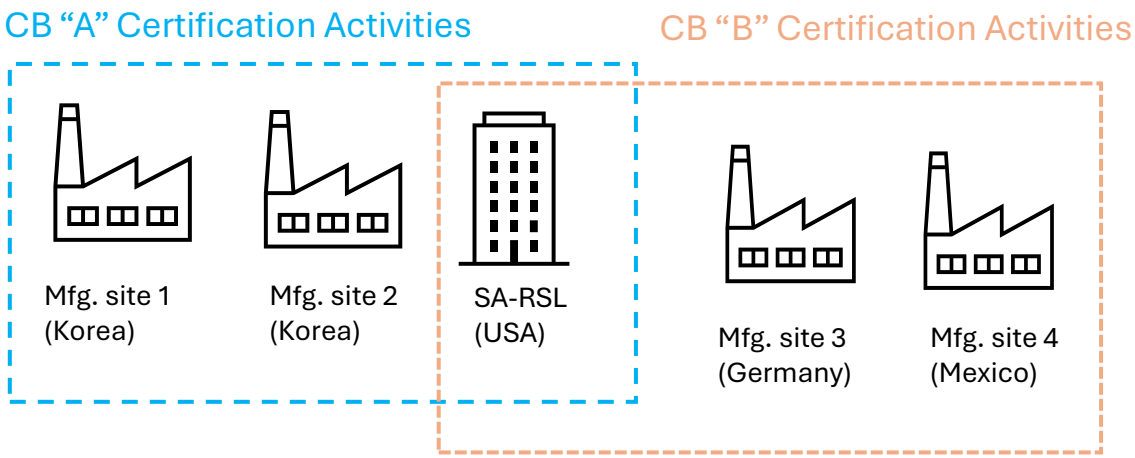
How should this be interpreted?

- ✓ Two different CBs can not audit the same SA-RSL location as Rules 5th, section 5.5, Option 1 is no longer permitted. The client needs to choose which CB will perform the audit of the SA-RSL – refer to example 1.
- ✓ A certification body cannot have a contract with a standalone remote support location without also having a contract with at least one manufacturing site receiving support from it – refer to example 2 - 4.
- ✓ The certification body that audits the manufacturing site, but does not audit the SA-RSL, must use audit report from the other certification body (auditing the SA-RSLs) during audit planning (section 5.7) and for technical review.

Section 1.0 – Eligibility

Example 1 (1 of 2):

CB "A" has a contract with a client to audit two (2) manufacturing sites in Korea and one (1) SA-RSL in the United States. CB "B" has a contract with the same client to audit the SA-RSL in the United States and manufacturing sites in Germany and Mexico. Is this acceptable?



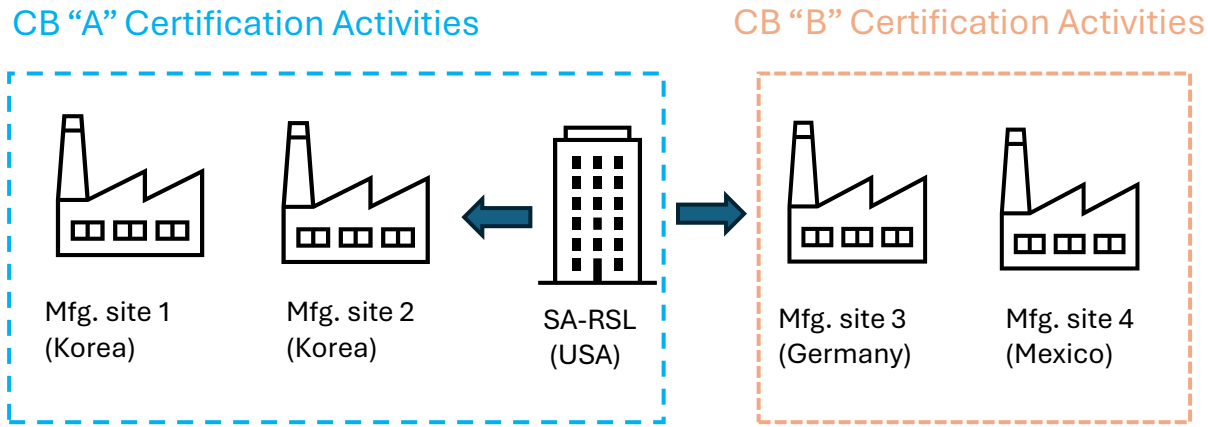
CB "A" and CB "B" cannot both audit the same SA-RSL. Rules 5th, section 5.5, option 1 is no longer permitted. The client needs to decide which CB will audit the SA-RSL.

Not Acceptable

Section 1.0 – Eligibility

Example 1 (2 of 2):

CB "A" has a contract with a client to audit two (2) manufacturing sites in Korea and one (1) SA-RSL in the United States. However, the SA-RSL in the United States also supports the same client's manufacturing sites in Germany and Mexico which are under contract with CB "B". How should the SA-RSL be handled by CB "B"?



CB "A" must audit all activities at SA-RSL that support any client's manufacturing site seeking certification or are certified to IATF 16949.

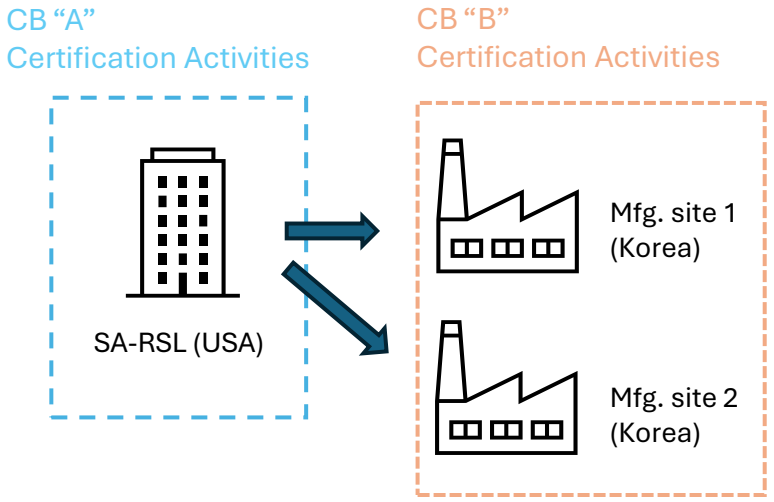
CB "B" would then use the CARA audit report and NC CARA report from CB "A" for audit planning and when making certification decisions for manufacturing sites 3 and 4, per Rules 5.5.3.

☑ Acceptable

Section 1.0 – Eligibility

Example 2:

CB "A" has a contract to audit the SA-RSL in the United States. CB "B" has a contract with the same client to audit the manufacturing sites in Korea. Is this acceptable?



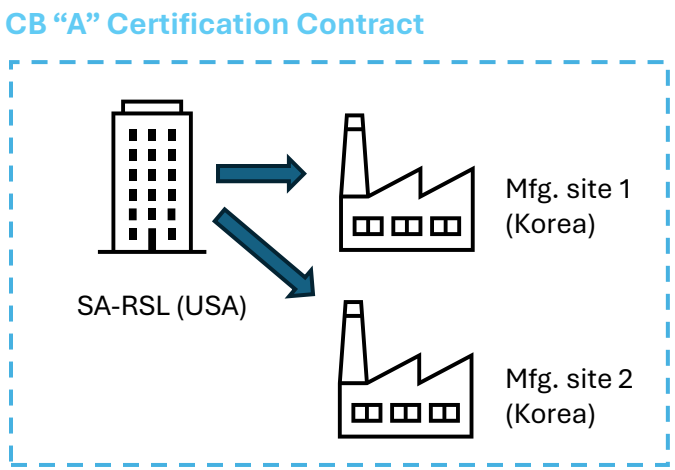
CB "A" cannot audit just the SA-RSL unless they also have a contract with at least one manufacturing site the SA-RSL supports.

Not Acceptable

Section 1.0 – Eligibility

Example 3

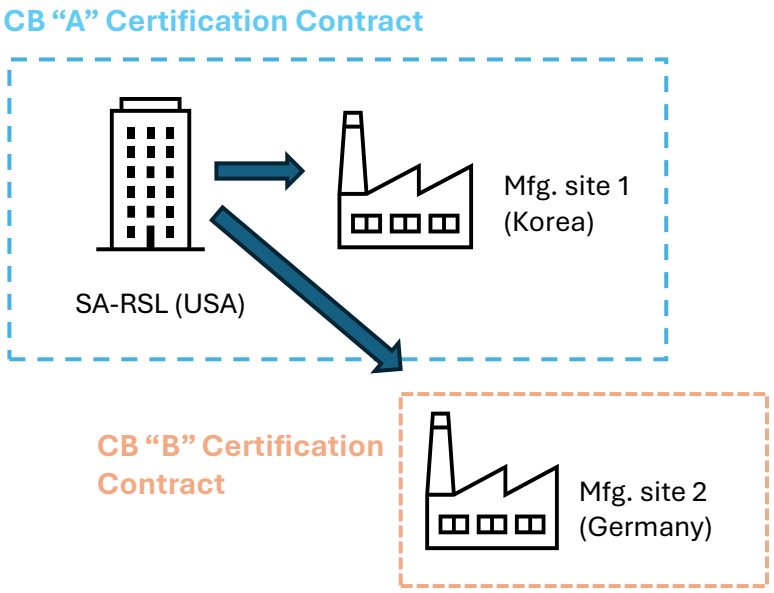
CB “A” has a contract with at least one (1) manufacturing sites and SA-RSL.



☑ Acceptable

Example 4

CB “A” has a contract with at least one (1) manufacturing site supported by an SA-RSL.



☑ Acceptable

Section 1.0 – Eligibility

EV Charging Units and Charging Cables

- Stakeholder Communique 2024-002 published in March 2024
- Organizations manufacturing electric vehicle (EV) charging systems and their related components are eligible, including:
  - ✓ Charging systems (e.g., wall box) and/or cables procured/supplied by the OEM
  - ✓ Charging systems and/or cables designated by the OEM for use with their vehicles (e.g., wall box or public charging units)
  - ✓ Replacement charging systems and/or cables
  - ✓ Public, municipal, or personal charging stations

SUBJECT: EV Charging Systems and related components
ISSUE DATE: March 2024
REF: 004

IATF Global Oversight
IATF Stakeholder Communiqué

The purpose of this Communiqué is to advise all IATF stakeholders that organisations manufacturing electric vehicle (EV) charging systems and their related components are eligible for certification to IATF 16949 (see Rules 5th section 1.0) as an accessory part.

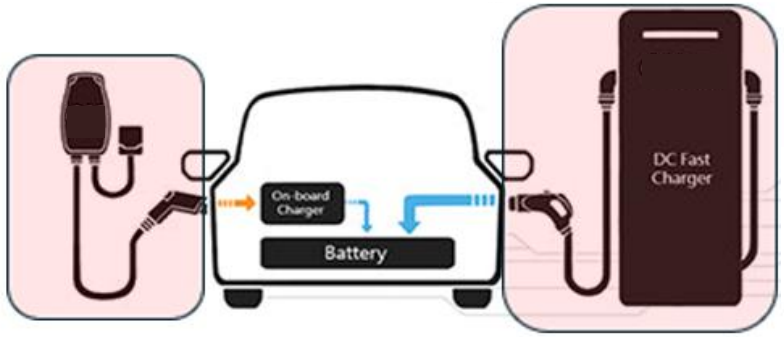
If you have any questions, please contact IATF Oversight.

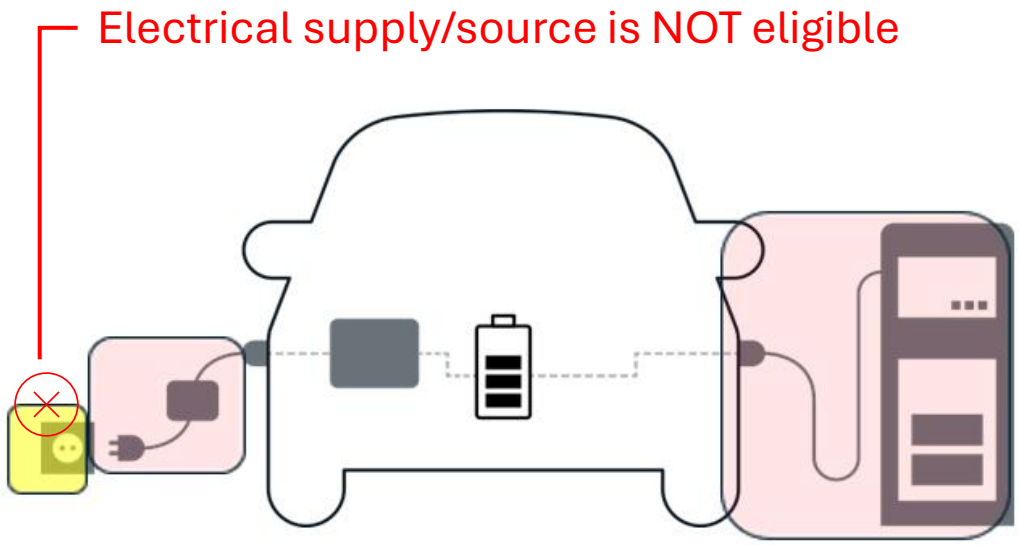
IATF - International Automotive Task Force

IATF Stakeholder Communique 004 March 2024 Page 1 of 1 iatfglobaloversight.org

Section 1.0 – Eligibility

EV Charging Units and Charging Cables





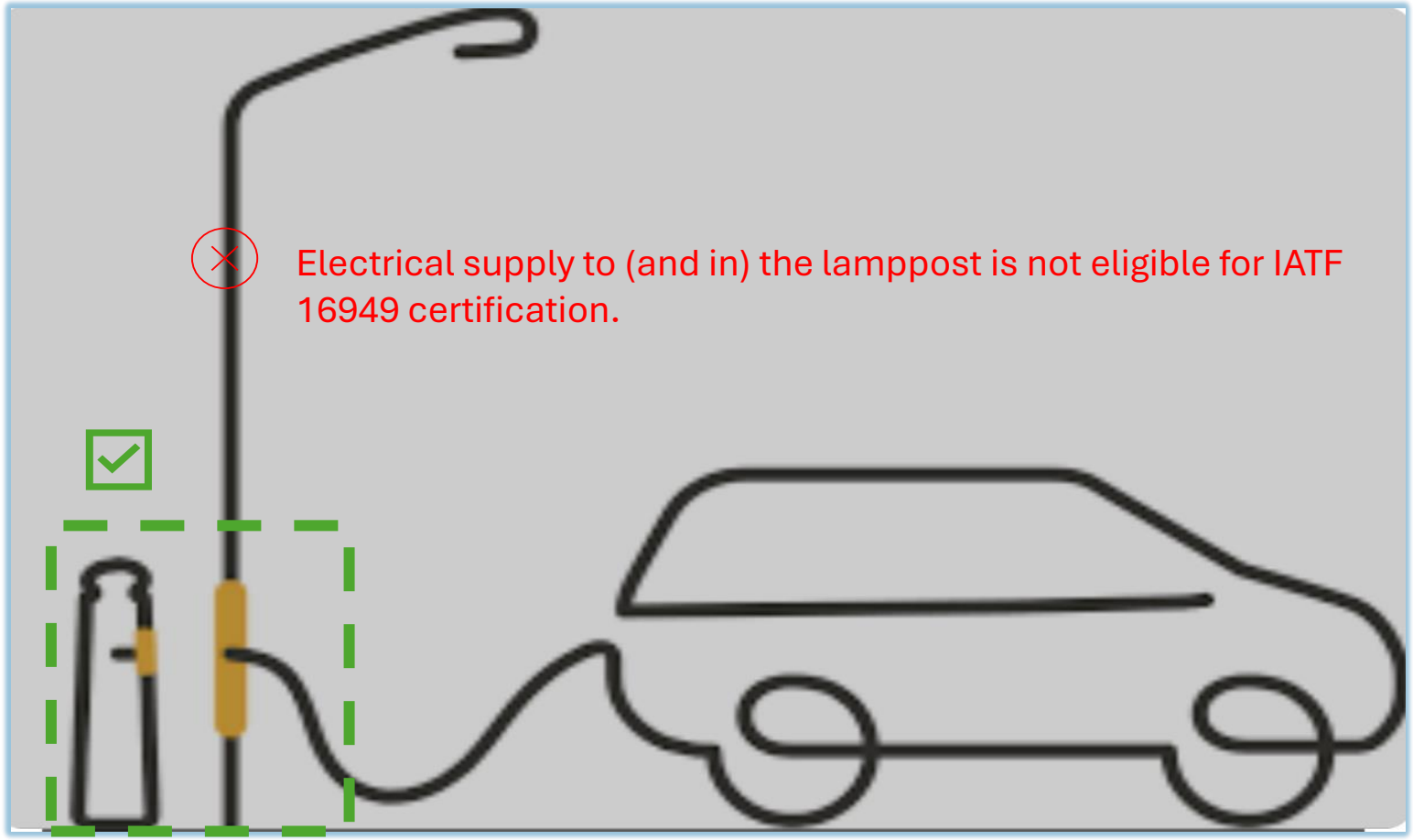
Organizations manufacturing public or private charging units and charging cables are eligible for IATF 16949 certification because these parts are attached to (e.g., via a plug) or connected to the vehicle.

The electrical supply or electrical source is not eligible.

Section 1.0 – Eligibility

EV Charging Units and Charging Cables

Lamppost is considered an EV charging station or charging unit.



Section 1.0 – Eligibility

Battery Swapping Station - China

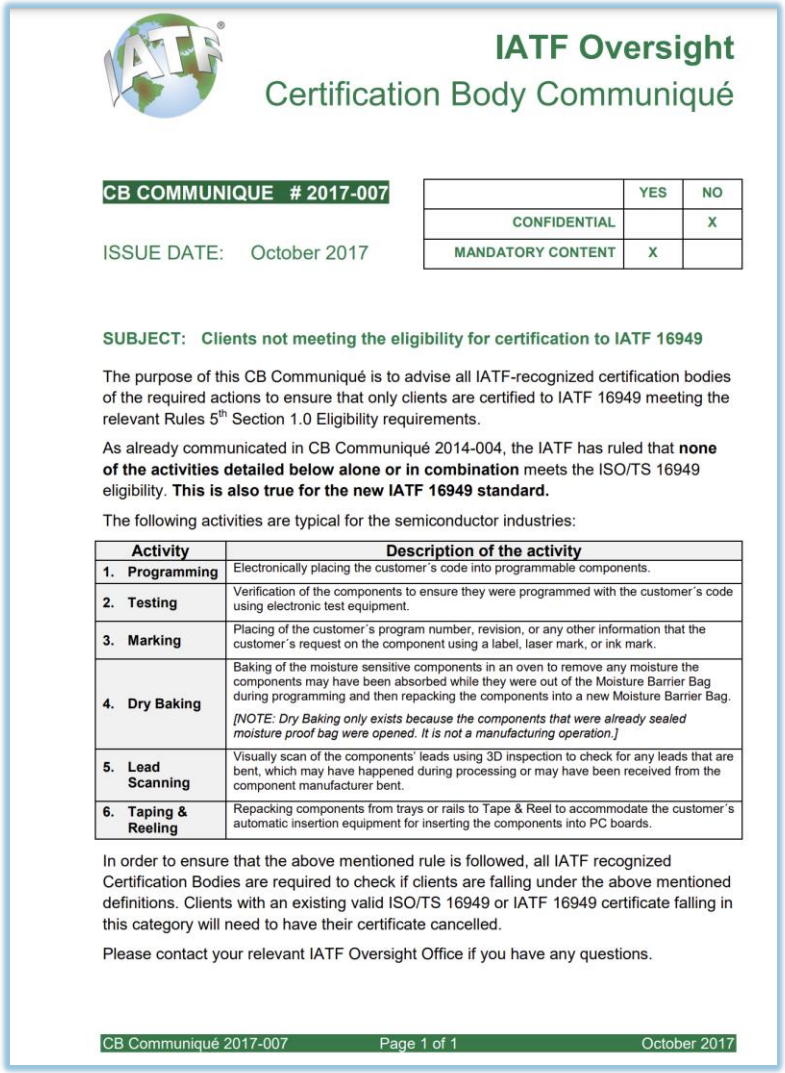
- ✓ Organizations manufacturing components for the battery charging unit used inside the battery swapping station are eligible for IATF 16949 certification.
- ✓ The manufacturer of the swapping station is eligible for IATF 16949 certification.

Picture: Autocar (https://www.autocar.co.uk)

CBC 2017-007

CB Communique 2017-007 will be obsolete, effective 1 January 2025.

The definition of manufacturing is “a process that includes at least one-value added activity that further transforms the process’s input materials and/or parts into a semi-complete or complete states of the automotive product” explains clearly which is eligible for IATF 16949 certification.



IATF Oversight
Certification Body Communiqué

CB COMMUNIQUE # 2017-007

ISSUE DATE: October 2017

	YES	NO
CONFIDENTIAL		X
MANDATORY CONTENT	X	

SUBJECT: Clients not meeting the eligibility for certification to IATF 16949

The purpose of this CB Communiqué is to advise all IATF-recognized certification bodies of the required actions to ensure that only clients are certified to IATF 16949 meeting the relevant Rules 5th Section 1.0 Eligibility requirements.

As already communicated in CB Communiqué 2014-004, the IATF has ruled that **none of the activities detailed below alone or in combination** meets the ISO/TS 16949 eligibility. **This is also true for the new IATF 16949 standard.**

The following activities are typical for the semiconductor industries:

Activity	Description of the activity
1. Programming	Electronically placing the customer´s code into programmable components.
2. Testing	Verification of the components to ensure they were programmed with the customer´s code using electronic test equipment.
3. Marking	Placing of the customer´s program number, revision, or any other information that the customer´s request on the component using a label, laser mark, or ink mark.
4. Dry Baking	Baking of the moisture sensitive components in an oven to remove any moisture the components may have been absorbed while they were out of the Moisture Barrier Bag during programming and then repacking the components into a new Moisture Barrier Bag. *[NOTE: Dry Baking only exists because the components that were already sealed moisture proof bag were opened. It is not a manufacturing operation.]*
5. Lead Scanning	Visually scan of the components' leads using 3D inspection to check for any leads that are bent, which may have happened during processing or may have been received from the component manufacturer bent.
6. Taping & Reeling	Repacking components from trays or rails to Tape & Reel to accommodate the customer´s automatic insertion equipment for inserting the components into PC boards.

In order to ensure that the above mentioned rule is followed, all IATF recognized Certification Bodies are required to check if clients are falling under the above mentioned definitions. Clients with an existing valid ISO/TS 16949 or IATF 16949 certificate falling in this category will need to have their certificate cancelled.

Please contact your relevant IATF Oversight Office if you have any questions.

CB Communiqué 2017-007 Page 1 of 1 October 2017

Q&A Responses

Transition (1 of 4)

- Rules 5.1.1 (Audit cycle) – If a CB decides to ***continue*** the 6-month and 9-month surveillance interval until the client's next recertification audit, the Rules 5th Edition surveillance allowable timing in Table 5.1 shall be applied.

Table 5.1 Surveillance interval

Surveillance interval	6 months	9 months
Number of audits per 3-year cycle	5	3
Allowable timing	-1 month / +1 month	-2 months / +1 month

- Rules 5.1.1 (Audit cycle) - If the CB decides to ***change*** the 6-month or 9-month surveillance interval at the next surveillance audit in 2025 (refer slide #76 of the Q&A slide deck – July 2024), the CB shall ensure the total number of surveillance audit days shall be equal to the number of initial audit days. Refer to example on the next slide.

Transition (2 of 4)

Example

Changing from a 6-month surveillance interval to a 12-month surveillance interval

- Stage 2 audit (February 2023) = 10 audit days
- Surveillance audit #1 (August 2023) = 2.0 audit days
- Surveillance audit #2 (February 2024) = 2.0 audit days
- Surveillance audit #3 (August 2024) = 2.0 audit days

Note: Transition to Rules 6th Edition, 1 January 2025. Assume the CB and client agreed to change to a 12-month interval at the next surveillance audit in 2025. In this case, the CB would combine surveillance #4 and #5 together for a total of 4.0 audit days and conduct the 12-month surveillance audit in February 2025 (-3 / +3 month).

- Surveillance audit #4 (February 2025) = 4.0 audit days
- Surveillance audit #5 (August 2025) = not conducted
- Recertification audit (February 2026) = 6.0 audit days

Transition (3 of 4)

Example

Changing from a 9-month surveillance interval to a 12-month surveillance interval

- Stage 2 audit (November 2023) = 10 audit days
- Surveillance audit #1 (August 2024) = 3.5 audit days

Note: Transition to Rules 6th Edition, 1 January 2025. Global Oversight does not recommend changing to a 12-month interval at the next surveillance audit in 2025 as it makes it difficult to determine the appropriate target date for the next surveillance audit with having a greater than 12-month gap between two audits.

- Surveillance audit #2 (May 2025) = 3.5 audit days
- Surveillance audit #3 (February 2026) = 3.5 audit days
- Recertification audit (November 2026) = 6.0 audit days

Transition (4 of 4)

- Rules 5.7 (Audit planning) requires the audit date for a surveillance, recertification and transfer audit to be confirmed with the client no less than 90 calendar days before the audit due date. Any audit with a due date on or after 1 April 2025 must comply with this new requirement.
- Rules 5.7.1 (Client information required for audit planning) requires the client to provide audit planning information no less than 30 calendar days before the start date of the audit. Any audit with a due date on or after 1 February 2025 must comply with this new requirement.
- Rules 5.7.2 (Audit plan) requires the CB to submit an audit plan 14 calendar days before the audit. Any audit starting on or after 15 January 2025 must comply with this new requirement.

Introduction

Question:

1) In which situations are waiver requests not required to be approved by the relevant oversight office and can instead be internally approved by the certification body?

2) Are there any other cases beyond the application of clause 5.2.h?

Answer:

1) IATF Global Oversight will provide guidance to certification bodies as and when waiver requests are not required to be approved by the relevant oversight office and can be internally approved by the certification body. Records of internally approved waivers shall be maintained by the certification body.

2) Yes, refer to 5.6.1 last paragraph related to auditor rotation due to certain circumstances (e.g., termination, force majeure).

Section 1.0 – Eligibility for certification to IATF 16949

Question:

How to define the boundaries of the scope of certification for the replacement parts based on below scenario:

Can a trading company be considered as an "automotive customer"?

Answer:

Yes, if the trading company is purchasing the automotive replacement part from the organization manufacturing it, they are considered a customer.

Section 1.0 – Eligibility for certification to IATF 16949

Question:

What is a homologated vehicle?

Do we consider a motorbike as a vehicle? A tractor, bus, truck as a vehicle? Your definition is too unclear.

Answer:

Yes, these vehicles are considered automotive vehicles under IATF 16949 if they are homologated and intended for use on public roads.

Section 1.1 – Certification structure eligibility requirements

Question:

The distance to an EMS is defined as "driving distance by a vehicle" or "straight line"?

Answer:

The distance to an EMS is measured in driving distance by a vehicle, as this reflects the real-world accessibility between locations for auditing and operational purposes.

Section 1.1 – Certification structure eligibility requirements

Question:

If the EMS is a different legal entity but the same owner, can we maintain a single manufacturing site with the EMS certification structure?

Answer:

No, under IATF 16949, the EMS and manufacturing site must be part of the same legal entity to be certified under a single structure. Different legal entities, even with the same owner, would require separate certification.

Section 1.1 – Certification structure eligibility requirements

Question:

For Extended Manufacturing sites that cross country boundaries, how is the time at the border (customs) factored in?

Answer:

The time at the border or customs for Extended Manufacturing Sites that cross country boundaries is not a primary factor in the certification process but should be considered when planning audits and logistics for manufacturing processes.

Section 1.1 – Certification structure eligibility requirements

Question:

What if the central location is not providing QMS support and another site is providing this support to the central location. How is this situations handled?

Answer:

For a corporate scheme certification structure, the location where the quality management system function resides is considered the central location. The central location can be at a manufacturing site or a SA-RSL.

Section 1.1 – Certification structure eligibility requirements

Question:

If a Sales Manager, Lab Director, or R&D Manager work in an office at the EMS, does it still qualify as an EMS?

Answer:

Yes, it can still qualify as an EMS if these managers and directors are responsible for controlling and managing their relevant area at both the main site and EMS, not just the EMS.

Section 2.1.3 – Outsourcing of certification activities

Question:

Can a specific individual who belongs to another company be "individual self-employed"?

When a contract with an auditor is made with a specific individual who belongs to another company through that company, is it considered to be the same as an "individual self-employed"?

Answer:

No, if an auditor is contracted through another company and not directly with the auditor, it is considered outsourcing.

Section 2.2 – Management system requirements

Question:

Translated documents that include the original document language in addition to the language into which it was translated.

Should there be multiple languages in the same document? Or is it acceptable to have separated translated versions?

Answer:

It is acceptable to have either the original and translated languages in the same document or have a bi-lingual version with the original document language and the translation. This is the same as the Rules 5th Edition, section 2.6.

Section 2.3.2 – Communication of changes to clients

Question:

Requesting clarification on the types of changes that require collection of evidence of compliance and what timeframe for verification.

Answer:

The verification is through the audit and certification process.

Section 2.5.2 – Conflicts of interest

Question:

Do the requirements in clause 2.5.2 mean any contract auditors we sponsor are not able to consult for any of our contracted clients? Or is it specific to each client or organization?

Answer:

Auditors sponsored by the certification body, including freelancers, cannot provide quality-management system consulting services to clients contracted with that CB. The intent is to avoid conflicts of interest during certification audits. This is the same requirement as Rules 5th Edition, section 2.2.

Section 2.5.2 – Conflicts of interest

Question:

Can a CB, or its auditors, provide a non-tailored training course onsite at the client's premises?

Answer:

No, this is considered consulting.

Section 2.9 – Management review

Question:

Does the CB global management review for 2024, which will be conducted at the beginning of 2025, already must be conducted in accordance with the requirements of Rules 6th Edition?

What about additional requirements from Rules 6th Edition that were not collected for 2024 and therefore cannot be assessed?

Answer:

Yes, the 2024 management review conducted in 2025 must follow the Rules 6th requirements.

For requirements not previously collected, the CB should acknowledge them in the review and ensure they are addressed in the 2025 management review cycle.

Section 2.10 – IATF witness audits

Question:

The template given in AMP to upload the upcoming audits is very detailed in particular with the full address of the site planned to be audited. Would it be acceptable to identify the sites by using the IATF USI instead of giving the full address?

Answer:

No, the full address is required.

Section 3 – Certification body legal contract requirements with the client

Question:

Existing certification contracts with clients may remain "as they are" until the next recertification audit?

Answer:

It is the responsibility of the CB to ensure the new requirements of Rules 6th Edition are understood and acceptable/acknowledged by the client to ensure compliance with the new requirements. It is the discretion of the CB to determine the appropriate approach.

Section 4.0 – Personnel resource requirements management

Question:

Do the new competence criteria also have to be demonstrated again for people in existing roles? Like a new approval?

Answer:

No. Existing approved resources will be carried over on 1-Jan-2025 but they will need to meet the ongoing maintaining approval requirements.

Section 4.0 – Personnel resource requirements management

Question:

Annual calibration for the same person performing different functions.

If a person has roles as a Technical Reviewer, IATF 16949 Auditor, Internal System Auditor, and Internal Witness Auditor, is a minimum of 12 hours (3 roles × 4 hours each) required for annual calibration?

Answer:

Yes, each role would require specific calibration activity.

Section 4.1 – Technical reviewer approval criteria

Question:

Clause 4.1 g) A clear official interpretation is needed regarding the nonconformities related to auditors identified in the problem-solving process of the certification body.

For example, if a nonconformity is issued during a witness audit and an investigation by the office reveals that the nonconformity occurred due to an office administrative error, would the audit team leader still receive the nonconformity?

Additionally, if a team leader and team member conducted an audit that was witnessed, and a team member received a nonconformity, would the team leader also receive a nonconformity together with the team member?

Answer:

If the nonconformity is not directly linked to the auditor (the onsite audit process) then it is not considered a nonconformity related to the auditor.

Witness audits generally only focus on one auditor. Where an auditor related nonconformity is issued, it will be assigned to a specific auditor, not an audit team.

Section 4.1 – Technical reviewer approval criteria

Question:

Clause 4.1 f) What is the standard for meeting the global nonconformity statistics of the certification body or the IATF global nonconformity statistics? Or is it sufficient to have an analysis of nonconformities? If the set targets are not met, does the technical reviewer risk not being approved?

Answer:

IATF monitors the number of nonconformities per auditor, the percent of major nonconformities and the number of audits resulting in zero nonconformities. This is all part of the IATF enhanced KPI initiative. Each CB have their NC statistics displayed on the personal desktop of the IATF database. If the Technical Reviewer is not meeting the CB NC statistics or the global NC statistics, then they cannot be nominated for approval as a Technical Reviewer.

Section 4.4.1 – Minimum audits and audit days

Question:

If an auditor fails to meet the minimum audit days as per clause 4.4.1, is there no recovery criterion after the auditor's qualification is terminated?

Answer:

There is a process by which auditors not meeting the 1 audit per quarter or 10 audit days per year is evaluated and waivers are considered based on exceptional circumstance to allow the auditor to maintain their qualification.

If an auditor loses their qualifications, then clause 4.2.1 (Application process for previously qualified IATF 16949 auditors), allows previously qualified auditors to re-apply for admission into the IATF 16949 auditor qualification process without having to meet the requirements listed in clause 4.2 a) - e).

Section 5.2 – Determining the audit duration

Question:

What happens if there is not enough automotive manufacturing processes running during the planned audit to fulfill the 30% minimum time allocated to auditing the manufacturing floor. For example, only 3 hours of auditing on the manufacturing floor can be done instead of 12 hours required. Is it acceptable to conduct less than 30% on the manufacturing floor?

Answer:

Clause 5.7, paragraph 10, states the CB and the client shall plan the audit to ensure that automotive manufacturing processes will be running as required during the planned audit duration. If this requriement cannot be met, the CB shall delay the audit until the requirement can be met.

If exceptional circumstance exists, CB should be contact their Oversight office.

Section 5.2 – Determining the audit duration

Question:

What should be entered in the IATF Database for the internally approved waiver related to clause 5.2 h) [portion of manufacturing site dedicated to automotive]?

Answer:

The Introduction section of the Rules provides the details that shall be entered into the IATF Database for internally (and externally) approved waivers, which is the waiver number, approval date and approval comments.

Section 5.2 – Determining the audit duration

Question:

If the minimum audit days is determined to be six (6) man days, can the CB assign only one (1) auditor? Rules 5th Edition required the CB to assign a team of two (2) auditors if the total audit days is greater than five (5) audit days.

Answer:

The Rules 5th, clause 5.2 o) requirement was not carried over into Rules 6th Edition.

In Rules 6th Edition, the CB can now assign one (1) auditor to conduct a six (6) day audit. Clause 5.7 requires the audit to be conducted over "consecutive audit days". The definition of "consecutive audit days", with a SI #14, is defined as "Regular working days of the client over which an audit is conducted in succession and without interruption."

If the client's regular working days are Monday – Saturday, then one auditor can be assigned. If the client's regular working days are Monday – Friday, and the client is not working on Saturday or Sunday, then one auditor can also be assigned, but the audit would be conducted from Monday – Friday and again the follow Monday.

Section 5.2.1 – Determining the audit duration for stage 1 readiness assessment

Question:

If we have a stage 1 readiness assessment for standalone remote support location (SA-RSL), do we need to perform a two-step technical review, per 5.12?

Answer:

Clause 5.12 (Technical review and certification decision) does not apply to stage 1 readiness assessments. A technical review is required but should follow clause 6.2.7 (Stage 1 technical review and readiness assessment decision).

Section 5.2.1 – Determining the audit duration for stage 1 readiness assessment

Question:

There must be a minimum of twenty (20) calendar days between stage 1 and stage 2 audit, per clause 6.2.9. In case the organization is located overseas, can the stage 1 readiness review be conducted remotely?

Answer:

Clause 7.3 states “that the remote auditing method may be used in situations where these Rules explicitly state that remote auditing is permitted.” Clause 6.2 does not state the stage 1 readiness assessment can be conducted remotely. Only exception is if the stage 1 readiness assessment is a limited scope repeat stage 1 readiness assessment.

Section 5.2.3 – Determining the audit duration for standalone remote support locations

Question:

Which reductions can be applied to a standalone remote support location if the clause 5.2.3, method b) is used? Method b) requires the CB to calculate the minimum audit days separately for every manufacturing site and standalone remote support location (i.e., no apportionment).

Answer:

Any permitted reductions in section 5.4 can be applied, as applicable.

Section 5.3 – Determining the audit duration – corporate scheme

Question:

If two sites are involved in a corporate scheme, is a 15% reduction allowed for the first audit of the first manufacturing site?

Answer:

Yes, a 15% reduction is allowed for the stage 2 certification audit of the first manufacturing site in a corporate scheme.

Section 5.5 – Support functions

Question:

In Rules 5th Edition there were two options for auditing remote support locations (RSLs). Each CB can either audit the RSL (Option 1) or one CB can accept an RSL audit report issued by the other CB (Option 2).

In Rules 6th, Option 1 no longer exists. Can we still follow Option 2 when implementing Rules 6th?

Answer:

Yes, there is only one option in Rules 6th which is to use the audit report issued by the one CB who has the legal contract to audit the SA-RSL.

Section 5.5 – Support functions

Question:

Clause 5.7 requires the audit dates (i.e., start date and end date) to be confirmed with the client no less than ninety (90) calendar days before the audit due date. Does this confirmation also include the audit duration (minimum audit days + additional audit time), assigned audit team, etc.?

Answer:

Confirming the audit team assignment no less than 90 days before the audit due date is a best practice, but not mandatory. The purpose of the confirming the audit date in advance is to ensure an audit team is available for the audit. The minimum audit days and additional audit time may not be known ninety calendar days before the audit due date.

Section 5.5 – Support functions

Question:

Is it mandatory to audit the interface with a new manufacturing site at a standalone remote support location (SA-RSL) before the manufacturing site's stage 2 audit? The SA-RSL has been previously audited, and the last audit did not include its support to the new manufacturing site.

Answer:

In the case where an existing SA-RSL has been audited, the interactions and interfaces with the new manufacturing site is not required before the stage 2 audit of the manufacturing site. However, the interfaces and interactions from the manufacturing site to the SA-RSL is required at the stage 2 audit of the manufacturing site. At the next audit of the SA-RSL, the priority should be on the new interface with the newly certified manufacturing site, per clause 5.5.2 e)

Section 5.5 – Support functions

Question:

Does each audit of an SA-RSL require Annex 3 (Output of Audit Planning) to be completed? Is there a separate Annex 3 template for SA-RSLs as the current Annex 3 is mostly not applicable to SA-RSLs.

Answer:

The note under clause 5.7.1 (Client information required for audit planning) states that some of the audit planning elements (5.7.1 a) – m) may not be required for SA-RSLs.

Annex 3 is not required for SA-RSLs; however, the CB shall ensure the output of audit planning is documented. It is recommended for the CB to create an equivalent document to Annex 3 for SA-RSLs.

Section 5.6 – Auditor rotation

Question:

A combined audit was conducted for a manufacturing site and a SA-RSL and combined into a single CARA report. Can the auditor who has conducted the SA-RSL audit be assigned to the audit team at the manufacturing site during the next 3-year audit cycle?

Answer:

The audit team assignment for the manufacturing site and the audit team for the SA-RSL are viewed independent of each other for auditor rotation purposes. If during a combined audit, a different audit team conducted the audit at the SA-RSL, than the audit team member(s) from the SA-RSL audit can be assigned to the audit team for the manufacturing site in the next 3-year cycle.

If the audit team for the manufacturing site and the SA-RSL are the same audit team, then the auditor rotation rules shall be applied at both locations.

Section 5.7 – Audit planning

Question:

Is the one-half (0.5) day for audit preparation and planning required for stage 1 readiness assessment?

Answer:

No, but an audit plan is required per Rules 6.2.1 b) (Stage 1 readiness assessment – CB preparation) and the audit plan shall be issued to the client at least fourteen (14) days before the start of the readiness assessment.

Section 5.7 – Audit planning

Question:

1) Is the one-half (0.5) day for audit preparation and planning required for every stage 2 audit?

2) What if the time between the stage 1 readiness assessment and stage 2 audit is only twenty (20) calendar days?

Answer:

1) Maybe. Clause 5.7.1, paragraph 6, states "for stage 2 audits, audit planning shall consider facts established during the stage 1 readiness assessment. Paragraph 2 also states "the CB shall request updated audit planning information, as appropriate, between the stage 1 and stage 2 audits." So, "as appropriate" will depend on the length of time between the stage 1 and stage 2 and what information was available during the stage 1.

2) In this case, no one-half (0.5) day for audit preparation and planning would be required.

Section 5.7.1 – Client information required for audit planning

Question:

Clause 5.7.1 states that CBs shall require the client to provide the audit planning information no less than 30 calendar days before the start date of the audit. Is it also applied to the stage 2 certification audit?

Answer:

The concept has not changed from Rules 5th Edition. In Rules 6th, paragraph 6 states "for stage 2 audits, audit planning shall consider facts established during the stage 1 readiness assessment." Paragraph 2 states "the CB shall request updated audit planning information, as appropriate, between the stage 1 and stage 2 audits." So, "as appropriate" will depend on the length of time between the stage 1 and stage 2 and what information was available during the stage 1.

Section 5.7.1 – Client information for audit planning

Question:

Is there any tolerance allowed for the 30-day requirement for the client to provide pre-planning information?

Answer:

The Rules do not provide any tolerance.

Clause 5.7.1 states “if the client does not submit the audit planning information within 30 calendar days, the CB shall delay the audit because the audit plan cannot be created without a review of the client’s information.”

Section 5.7.2 – Audit plan

Question:

If top management (or a person from top management) is unable to attend the opening meeting of the audit in person (e.g., due to business travel), can top management (or a person from top management) attend the opening meeting remotely?

Answer:

The Rules does not specify or give guidance that addresses the remote attendance of top management at the opening meeting of the audit due to temporary business travel. The intent is to have top management attend the opening meeting in person. In exceptional circumstances attending the open meeting remotely would be permitted.

Section 5.11.1 – Client responsibility for major nonconformity

Question:

It seems the timing requirements are overlapping for the client to submit their response to a major nonconformity within 15 calendar days of the audit closing meeting and the CB Technical Reviewer to make the step 1 decision within 15 calendar days of the audit closing meeting and issue the final report to the client.

What happens if on day 14, the CB Technical Reviewer decides to change the classification from a minor to a major nonconformity. What is the timing the client must respond to the major nonconformity?

Answer:

In the situation above, the client would be allowed fifteen (15) calendar days from the date the ***final*** audit report was issued to submit their response to the major nonconformity. However, the overall timing for nonconformity management process, especially the 60-day and 90-day requirements, remain unchanged.

Section 5.11.5 – Verification of a minor nonconformity

Question:

Is it acceptable to wait 24-months to verify the effective implementation of a minor nonconformity issued at an audit of an SA-RSL (that has no design responsibility)?

Answer:

Onsite verification of minor nonconformities shall occur at the next regular audit. If the SA-RSL has no product design function, the next regular audit could be two years away. It's possible the CB could consider this time frame to be reasonable based on the client and the Rules requirements. The CB could also consider conducting a special audit, per clause 7.2 d), to verify the effective implementation of minor nonconformities in between two regular audits.

Section 5.15 – Relocation

Question:

The client relocates to a new location and a stage 1 readiness assessment and stage 2 audit is planned. What should the CB do if there were previous minor nonconformities waiting verification from the previous audit at the old location?

Answer:

Onsite verification of systemic corrective action(s) for a minor nonconformity shall occur at the next regular audit. If this is not possible, due to relocation, the verification of a minor nonconformity at the stage 2 is not required but should be considered as an input to audit planning for the stage 2 audit.

Section 5.15 – Relocation

Question:

If a current extended manufacturing site relocates to a new location and now will become an SA-RSL, this requires an initial audit (stage 1 readiness assessment and stage 2 audit). Is a stage 1 readiness assessment really expected? In clause 5.2.1, CBs can determine if a stage 1 readiness assessment is needed for an SA-RSLs. Can this still be applied in a relocation scenario?

Answer:

When the CB is notified of a relocation, they shall gather information from the client to understand the extent of the changes, timeline of the relocation activities, risks to the customers, the capability of the QMS to continue to fulfil requirements, etc. This information allows the CB to plan relevant audit activities at the new location. In the scenario above, the CB shall determine whether a stage 1 readiness assessment is needed.

Section 5.15 – Relocation

Question:

1. Does relocation apply if the support functions were moved to an existing location audited to IATF 16949?
2. What happens if this change (relocation of support functions) was not communicated to the CB in a timely manner?

Answer:

1. Yes, relocation applies if the client chooses to move all or some of the support activities from an original location to a new location. Clause 5.15 states that within 30 calendar days of the relocation, the CB shall gather information to understand the extent and timeline of the relocation, assess the associated changes and risks, and plan the relevant audit activities at the new location. According to Clause 5.15.2, this scenario above would NOT require an initial audit since the new location is already audited to IATF 16949. This means the CB can either conduct a special audit or add additional time to the audit at the new location.
2. If the client fails to notify the CB of the change, the CB should consider Clause 3.1 (CB legal contract with the client) which states the CB shall take appropriate actions. This could include a special audit, additional time at the next regular audit, audit termination, audit cancellation, certificate withdrawal or contract cancellation.

Section 7.3 – Using the remote audit methodology

Question:

Is a remote audit permitted for a repeated stage 1 readiness assessment?

Answer:

Rules 6.2.8, last paragraph, states the CB may conduct the limited scope repeat stage 1 readiness assessment either onsite or using the remote audit methodology. If the repeated stage 1 is a full stage 1 readiness assessment it shall be conducted onsite.

Section 8.3 – Suspension decision

Question:

In previous slide 227 (June CB webinar), it states that CARA will have a field for technical review's decision to suspend or not suspend the certificate and no separate notification is required. Does that mean the technical reviewers will need to have access to CARA?

Answer:

No, technical reviewer's will not have access to CARA. A decision after the June webinar was made not to require the technical reviewer to record their decision inside the CARA report.

CBs need to follow the requirement in 8.3 which states the CB shall notify the client in writing.

Section 8.3 – Suspension decision

Question:

When the CB decides to suspend the client due to a performance complaint entered in the IATF Complaint Management System (IATF CMS), per 8.1 a), should a major be issued (via an “ad hoc NC” in CARA)? Or shall a major NC be issued at the special audit?

Answer:

Rules 8.2 (Analysis of the situation) states that if a performance complaint is issued in the IATF CMS system, a separate nonconformance shall NOT be issued to the client when decision to suspend the certificate is made. A major nonconformance shall not be issued at the special audit.

Section 8.7 – Actions after certification withdrawal

Question:

If an organization applies for an initial audit and during the application process does not disclose that their IATF 16949 certificate was withdrawn by another CB and it is detected by the new CB after the initial audit is complete, what action should the new CB take?

Answer:

Rules 6.1.1 explains the actions the new CB must implement in this situation. It states failure of the applicant organization to disclose information about existing or previous IATF 16949 certification….is considered a breach of the legal contract and shall result in the withdrawal of IATF 16949 certification or a negative certification decision where certification is pending a decision from the CB.

Section 9.1 – Certification records

Question:

1) Do CBs now have the ability to approve the "application for audit day reduction" in Rules 5.2 h)?

2) Clause 9.1 p) talks about CBs approving audit day reductions (dedicated employees, dedicated equipment, etc.) - isn't this the oversight office's responsibility?

Answer:

1) Yes.

2) No, it is no longer an Oversight responsibility. Clause 9.1 p) states the CB shall retain records of the "Applications for Audit Day Reduction" approved by the certification body. Clause 5.2 h) 2) states "the certification body–approved "Application for Audit Day Reduction" shall be entered into the IATF Database and forwarded to the relevant oversight office with supporting evidence before the start of the audit.

Section 9.1 – Certification records

Question:

Stakeholder Communique 2024-001 is clearer about the subject of auditor expenses than the Rules 6th, 9.1.h). The Rules do not clearly state that the customer must not pay for the auditor's travel expenses.

Answer:

IATF Stakeholder Communiqué 2024-001 states:
Clients will be invoiced by the certification body for all audit related expenses including auditor travel and accommodation (including but not limited to ground and air travel, meals, hotels, etc.). IATF auditors must be reimbursed for their audit related expenses through the certification body and not be paid directly by the client.

Stakeholder Communique 2024-001 was published in January 2024 after Rules 6th Edition was already in the publication process and could not be changed. The Stakeholder Communique shall be followed.

Section 10 – Terms and definitions

Question:

The term "Correction" is explained as “action to eliminate a detected nonconformity until the root-cause analysis is complete and systemic corrective actions are implemented."

Does this term have the same meaning as the "Corrective Action: Action to eliminate the systemic cause of a detected nonconformity" from the previous Rules 5th Edition?

Answer:

No, is not the same, "Correction" is explained as "Action to eliminate a detected nonconformity (only the effect) until the root-cause analysis is complete and systemic corrective actions are implemented."

Section 10 – Terms and definitions

Question:

Definition of “Primary Sponsoring” states “for newly qualified auditors, this is the first certification body to sponsor the auditor in the IATF ADP.” The definition only addresses newly qualified auditors.

Which CBs would be considered the "Primary Sponsoring CB" if the first sponsoring CB was replaced due to a merger with another CB?

Answer:

The new CB will become primary sponsor.

Section 10 – Terms and definitions

Question:

Definition of “audit due date”. What is the difference between audit due date (ADD) and last audit date (LAD)?

Answer:

“Audit due date” is the latest possible end date of an audit, based on the last day of the most recent initial, recertification, or transfer audit.

The term “last audit date” is not used in the Rules 6th Edition. The Rules 6th uses the term “last day of the audit” which means the last calendar day in which the audit was conducted.

Annex 2 – List of support functions

Question:

According to the requirement of Rules 7.3, “the remote auditing method may only be used for conducting surveillance audits at standalone remote support locations where no product or material handling occurs”. We consider that the supporting activity “Supplier Management” should be a “Yes” in Annex 2 instead of a “No”.

Answer:

The remote auditing allowances are to be considered as guidance. The CB has the ultimate responsibility to apply the criteria and meet the requirements in section 7.3 of the Rules. If supplier management activities includes product or material handling it is not eligible for remote audit.

Annex 2 – List of support functions

Question:

We understand that the support function ”distribution” means ”physical distribution”. Is it correct? It is defined as "information distribution" in the Japanese version of Rules 6th.

Answer:

“This is correct, “distribution” relates to physical distribution not information distribution.

Thank you for your time, participation, and contribution!