

RULES 5TH EDITION CHANGES



**Automotive certification scheme for
IATF 16949**

**Rules for achieving and maintaining
IATF recognition**

5th Edition

1st November 2016

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Rules 5th Edition

- IATF decided to update the current IATF Rules 4th Edition in parallel with revisions to IATF 16949
- Title remains “Rules for achieving and maintaining IATF recognition”, but is now the 5th Edition even though IATF 16949 is at the 1st Edition
- Rules 5th Edition changes were mainly to:
 - Incorporate all 14 existing Sanctioned Interpretations (SI’s)
 - Incorporate as many of the existing 33 Frequently Asked Questions (FAQ’s) as feasible
 - Clarify the IATF intentions, where needed
 - Make changes that improve the scheme

Rules 5th Edition

- Changes impact certified organizations, organizations seeking certification, as well as, IATF-recognized certification bodies
- Important that when an organization purchases a copy of the IATF 16949, also purchase a copy of the Rules 5th edition
- Available for purchase on 1 November 2016
- Changes are effective on January 1, 2017 regardless of which standard (IATF 16949 or ISO/TS 16949) the organization is being audited to

Rules 5th Edition

- This presentation will not cover the existing Rules 4th Edition SI's and FAQ's that were incorporated into Rules 5th edition
- This presentation only summarizes the significant changes, clarifications and new requirements affecting both certified organizations and IATF-recognized certification bodies

Rules 5th Edition – Significant Changes

1. OEM customer-specified accessory part suppliers are now eligible for IATF 16949 certification (Rules 1.0)
 - Manufactured to OEM specifications and are procured or released by the OEM
 - Mechanically attached or electronically connected to the vehicle
 - Installed on the vehicle or the powertrain before, or after, delivery to the final customer

Rationale: IATF members agreed it was important to change the eligibility requirements to allow accessory part suppliers to have their quality management system third party certified

Rules 5th Edition – Significant Changes

2. A manufacturing site supplying to a customer requiring third party certification to IATF 16949 (or ISO/TS 16949) has to include all automotive customers in the audit scope (Rules 1.0)
 - For example, if a site's customers are General Motors (who requires 3rd party certification) and Honda (who does not require it), then the automotive product manufactured for both GM and Honda shall be included in the audit

Rationale: Clarification was needed based on the questions received from organizations and certification bodies. This has always been the intent of the Rules, but not explicitly stated

Rules 5th Edition – Significant Changes

3. Certification bodies legally enforceable agreement (contract) with the client now has to include a provision to allow the contract to be extended until all transfer activities to the new certification body is complete (Rules 3.1)
 - The new certification body shall advise their client to notify the previous certification body about their intent to transfer (Rules 7.1)
 - The client shall notify their existing certification body about their intent to transfer to a new IATF-recognized certification body (Rules 3.2)

Rules 5th Edition – Significant Changes

4. The previous certification body shall not use the notification of transfer as justification for suspending or cancelling the client's certificate before the transfer process is complete (Rules 7.1)
 - Must be a valid, extended contract in place (Rules 3.1)
 - If not, the previous certification body can suspend, cancel or withdraw the certificate

Rationale: The new requirements strengthen and ensure an effective transfer occurs between two certification bodies. Previously, the certification body sometimes canceled the existing certificate before the new certification body issued a new certificate which affected the organization's status with their customers

Rules 5th Edition – Significant Changes

5. The years of practical experience needed to become a new IATF auditor has been reduced (Rules 4.2)
 - From: six (6) in the past ten (10) years
 - To: four (4) in the past ten (10) years

Rationale: IATF recognizes that new auditor candidates were denied admission into the qualification process because they did not have six years of practical work experience in the past ten years. IATF believes four years of practical experience is sufficient knowledge and understanding of automotive manufacturing to become an IATF auditor.

Rules 5th Edition – Significant Changes

6. Previously qualified third party IATF 16949 auditors (or ISO/TS 16949 auditors) can re-apply for entry as a new auditor (Rules 4.2.1)
 - If their credentials were deactivated within previous 36 months of the application date as a new auditor
 - If the deactivation was due to failure to achieve required ADP results or failure to complete minimum number of audits/audit day requirements

Rationale: IATF recognizes there are cases where qualified auditors were deactivated. Previously they would not meet the six in the past ten years practical work experience and were unable to re-apply as a new auditor.

Rules 5th Edition – Significant Changes

7. IATF qualified auditors are required to record their continuing personal development (CPD) hours/records in a centralized online repository in the ADP (Rules 4.5.2)
 - All CB's who sponsor an auditor will have access to their auditor's CPD record
 - Eliminates the need for each certification body to request and keep the CPD records
 - Evidence can be uploaded

Rationale: A new requirement based on the positive feedback received from a pilot ran in 2016. The IATF decided to make this mandatory for each auditor to use

Rules 5th Edition – Significant Changes

8. Client shall submit the number of employees for the site and all associated remote support locations as part of the audit planning (Rules 5.7.1 a)

Rationale: IATF believes it is critical that the certification body receives the updated number of employees during the audit planning phase so they have enough time to make any necessary adjustments to audit days in case headcount increased or decreased (see Rules 5.2 q)

Rules 5th Edition – Significant Changes

9. Eliminated the ability to terminate an audit due to identification of major nonconformities (Rules 5.9)
 - This means initial, surveillance, recertification, transfer or special audits shall not be terminated!
 - However, it may be necessary to terminate an audit for other reasons (i.e. emergencies, natural disasters, etc.)

Rationale: The IATF believes that every audit outcome should demonstrate the client's extent of compliance or noncompliance with the requirements. However, Rules 4th Edition allowed the audit to be terminated if major nonconformities were identified.

Rules 5th Edition – Significant Changes

10. The CB's final audit report shall include a written description of the interactions with support processes at other site(s) and/or remote support location(s) that were audited (Rules 5.10 f)

Rationale: This clarification strengthens the written report for the reader who needs to understand where the interactions were audited. Having a detailed written description is helpful to those not conducting the audit and to ensure the certificates are accurate

Rules 5th Edition – Significant Changes

11. Existing Rules 5.11 (Nonconformity management) was split into the following five (5) sub-sections:
- Client’s responsibility for a major nonconformity
 - Client’s responsibility for a minor nonconformity
 - Certification body responsibility
 - Onsite verification for a major nonconformity
 - Onsite verification for a minor nonconformity

No changes to the requirements!

Rationale: New layout improves the structure of the nonconformity management process to make it easier to follow

Rules 5th Edition – Significant Changes

12. Eliminated redundant requirements for the client to submit root cause and implemented correction within twenty (20) days from the closing meeting of a surveillance audit (Rules 6.7) & a recertification (Rules 6.8) audit

Rationale: This requirement was already covered in the decertification (suspension) process (Rules 8.1 / 8.2)

Rules 5th Edition – Significant Changes

13. Incorporated the IATF Database semi-automated transfer checking process. This changed the layout of Rules 7.1.1

Also added the certification body or client's failure to complete all the required activities prior to the start of the transfer audit shall result in a initial certification audit

Rationale: It was important to separate the transfer requirements related to the semi-automated checking process from the requirements which are performed manually. Also wanted to ensure the consequences are clear when all transfer activity requirements are not met.

Rules 5th Edition – Significant Changes

14. Reorganized the structure of special audits (Rules 7.2) to display the list of reasons for a special audit using a bulleted method
15. Eliminated the ability to terminate a special audit (Rules 7.2)
16. Clarified that special audits of a remote support location are not entered into the IATF database (Rules 7.2)

Rationale: Changes to 7.2 (Special Audits) were made to help improve the structure, to eliminate the ability to terminate a special audit, and for clarification purposes

Rules 5th Edition – Significant Changes

17. The certification body is required to conduct a special onsite verification audit when the decertification (suspension) process has been initiated due to a special status condition from an IATF OEM

Rationale: IATF wants to ensure that certification bodies enter into the IATF database the onsite special audit conducted to investigate an IATF OEM special status condition. This requirement is a current practice, but was not previously documented as a requirement in Rules 4th Edition

Thank You!