

Guidance on Selection of Certification Body

By NABCB

Introduction

One of the most well known and widely used and implemented International Standard is ISO 9001, which specifies requirements for quality management system. It is widely used worldwide by businesses and organizations large and small, in public and private sectors, by manufacturers and service providers, in all sectors of activity. Primarily the standard, if implemented, benefits in many ways internally as well as with external stakeholders including customers. Today there are also a number of other management system standards which the organizations are implementing. Some of the examples are ISO 14001 for environment management system; ISO 22000 for food safety management system, ISO 27001 for information security management system, ISO 50001 for energy management system.

Today it is widely used by different stakeholders, as a tool for judging fundamental capability of any organization for meeting customer requirements. This is the reason why most organizations decide to have their management systems independently audited and certified as conforming to the standards. Both organizations and its clients believe that an independent confirmation of conformity through certification adds value.

As a result in most of business transactions, the clients insists on the organization they are is dealing with to have ISO 9001 certification as a prerequisite.

Why do organizations who have implemented ISO 9001 (and other management system standards) go for certification??

Many times it is the reverse situation. Organizations implement and get certified for variety of reasons such as:

- Customer preferences and expectations – Large numbers of customers have started to expect as a minimum certification to ISO 9001 standard. As a result it is now becoming a requirement of the relevant market.
- Contracts make it a precondition that the organizations (suppliers of goods and services) are certified to ISO 9001 and other relevant management system standards such as ISO 14001;
- Regulators either make it as one of the mandatory requirements for meeting the regulation or recognize it as reasonable assurance of meeting regulatory requirements. Examples of these are: certification to OHSAS 18001 recognized by Goa Govt, or certification to ISO 13485 (QMS for Medical devices) which may be considered by Drug regulator for reduction in mandays of its audit.
- Management decision that they would like to implement and get certified to ISO 9001, the standard for quality management system and any other relevant

management system standard for reasons such as having systems driven operations, having effective control on business processes, etc.

Let us first understand certain fundamentals:

What is Certification??

It is the provision by an independent body of written assurance (a certificate) that the product, service or system in question meets specific requirements.

The international definition as given in clause 5.5 ISO/IEC 17000: 2004 is:

Third-party attestation related to products, processes, systems or persons.

There are different types of certifications as given below:

1. Product certification – Certification concerning tangible products, such as ISI Mark, Agmark.
2. Process certification – Certification concerning processes, such as Organic product certification, Good agriculture practices – GlobalGAP. This is a variant of generic term part of the generic term Product certification.
3. Systems certification – Certification against management systems standards such as ISO 9001, ISO 14001, OHSAS 18001, ISO 22000, ISO 27001, ISO 50001. This list is growing with introduction of more and more management system standards in different fields and areas.
4. Personnel certification - Certification of personnel, such as Yoga teachers certification, welder certification.

What are benefits of certification??

- Certification by definition is carried out by an independent third party body.
- It provides assurance to stakeholders about implementation of management system, especially the system certification schemes.
- It enhances the organization's ability to meet customer and regulatory requirements and provides means of demonstration of the same.
- Written assurance by a third party (certification body) enhances customer confidence.
- It ensures availability of a mechanism for resolution of Customer Complaints.

Who carries out certification??

Bodies which carry out certification are called as Certification Bodies.

Considering the requirements as stated earlier, these are essentially third party conformity assessment bodies. Third party would mean that they need to be independent bodies, independent of organizations being certified and its customers.

Who can set up a Certification Body??

Currently there are no regulations governing Certification Bodies and there is no legal bar for setting up a Certification Body and hence any one can set up a Certification Body.

It can be a proprietorship or a partnership company; a society; a private or public limited company.

It can be commercial organization set up for profit or a not for profit organization, a governmental or private or a nongovernmental organization.

Generally all that is needed is people and documentation, unlike a laboratory, no equipment or technology is required except IT tools.

How does one distinguish an Authentic Certification body??

Under the circumstances as stated earlier. it would actually become very difficult to make an effective choice.

May be a governmental body would generate more confidence, but then in a field of implementing regulations, etc, there have been issues with governmental bodies, hence one would not be very sure how they will fare in the field of certification.

In respect of private bodies also one could be wary because generally they are known to allow pure profit motives to govern their operations. So how would they operate when an organizations pays them money for getting audited may be one of the concerns.

So, may be one would choose based on name in the market or a brand image.

Today the only means to distinguish certification body based on objective basis is based on **accreditation**.

What is accreditation??

Accreditation is the formal recognition by an independent body, generally known as an accreditation body that a certification body operates according to a standard (s) which is generally an international standard (s).

The international definition as given in clause 5.6 ISO/IEC 17000: 2004 is:

Third-party issue of a statement of attestation (based on a decision following review, that fulfilment of specified requirements has been demonstrated) related to a conformity assessment body (certification body in this case) conveying formal demonstration of its competence to carry out specific conformity assessment tasks.

The key words in the above definition are “competence” and “specific conformity assessment tasks”. It is important to note that recognition of competence is the principal objective of accreditation and such recognition is for specific tasks. Further the aspects of third party imply important relevance on impartiality.

Accreditation body is an authoritative body that performs accreditation. Although the accreditation body may be governmental, semi governmental or private, the authority of an accreditation body is generally derived from government.

How do the certification bodies get accredited??

Accreditation of certification bodies is carried out based on an international standard. For example, in case of certification bodies involved in ISO 9001 certification, to get accredited they are required to implement their systems in accordance with an international standard ISO/IEC 17021-1: 2015 and any other specific standard such as ISO/TS 22003 for Food Safety Management System. They are assessed against these standards by the accreditation bodies for the purpose of accreditation.

The detailed requirements specified in an accreditation standard are generally based on certain principles which flow from the objectives of accreditation. ISO 17021-1: 2015 is based on following principles:

1. Impartiality - Being impartial, and being perceived to be impartial, is necessary for a certification body to deliver certification that provides confidence. Impartiality along with competence are the two main pillars on which the accreditation requirements are based on.
2. Competence - Competence of the personnel of the certification body in all functions involved in certification activities is necessary to deliver certification that provides confidence.
3. Responsibility – Responsibilities of both the parties (CB and its clients very important). The certified client, and not the certification body, has the responsibility for consistently achieving the intended results of implementation of the management system standard and conformity with the requirements for certification. The certification body has the responsibility to assess sufficient objective evidence upon which to base a certification decision. Based on audit conclusions, it makes a decision to grant certification if there is sufficient evidence of conformity, or not to grant certification if there is not sufficient evidence of conformity.
4. Openness - A certification body needs to provide public access to, or disclosure of, appropriate and timely information about its audit process and certification process, and about the certification status of any organization, in order to gain confidence in the integrity and credibility of certification.
5. Confidentiality - To gain the privileged access to information that is needed for the certification body to assess conformity to requirements for certification adequately, it is essential that a certification body does not disclose any confidential information.
6. Responsiveness to complaints - Parties that rely on certification expect to have complaints investigated and, if these are found to be valid, should have confidence that these complaints will be appropriately addressed and that a reasonable effort will be made by the certification body to resolve them. Effective responsiveness to complaints is an important means of protection for the certification body, its clients and other users of certification against errors, omissions or unreasonable

behaviour. Confidence in certification activities is safeguarded when complaints are processed appropriately.

7. Risk based approach - Certification bodies need to take into account the risks associated with providing competent, consistent and impartial certification. Risks may include, but are not limited to, those associated with objectives of audit; sampling used in the audit process; real and perceived impartiality; legal, regulatory and liability issues; misleading statements by the certified client.

The certification body is required to implement all the requirements specified in the standard which are based on the above principles and it is assessed for the same by the accreditation body for the purpose of getting accredited.

The accreditation body is also required to establish its internal systems in accordance to an international standard. The criteria for accreditation bodies are specified in ISO/IEC 17011:2004. As accreditation bodies are at the top of the confidence pyramid, there is no higher level body to assess their conformity with the requirements. Instead, accreditation bodies from different countries have formed multi-lateral agreements through which they carry out peer assessments on each other. This is done under the aegis of International Accreditation Forum (IAF), which addresses the requirements for certification body. IAF establishes multilateral recognition arrangements (MLAs) between its global accreditation body members in order to reduce risk and increase confidence by ensuring that an accredited certificate may be relied upon anywhere in the world.

Significance of accreditation

The certificate issued by a certification body which has been accredited by an accreditation body which is an IAF MLA signatory for the scope covering the certificate should be acceptable anywhere in the world under the principle of international equivalence.

This is a very significant reason for making an appropriate choice of a certification body.

Why the need for issuing a guidance on “selection of a certification body”

As already elaborated in the previous sections of this article, management system certification, especially the quality management system certification to ISO 9001 standard is very popular worldwide and almost every organization goes for it for variety of reasons, many of them external such as the organization's customer either expects it or demands it by making it a precondition for contract.

When an organization implements its management system and wishes to get it certified, it will need to make choice of the certification body to certify the same. Today there are large number of certification bodies in market, vying with each other to carry out the certification at competitive/lowest prices. However the organizations need to make a wise choice to get maximum benefit out of certification, both internally (having better systems) and externally (to ensure customer confidence as well as international equivalence).

However, there are worldwide concerns about quality of certifications, especially ISO 9001 certifications. These are elaborated in subsequent sections.

Issues in Certification

1. **Lack of Impartiality** - As stated in earlier sections one of the important pillars of certification is impartiality. However this is one of the main issue that affects confidence in certification.
 - a. There already exists an inherent conflict of interest in certification. A certification body is a service provider as well as an evaluator.
 - b. Integrity and ethics are an issue in India. The client (applicant/certified organization) is primarily interested in a certificate and since he does not find any value addition through certification he is happy to receive the certificate without any audit or a minimal audit at the lowest possible cost and the certification body is more than happy to oblige.
 - c. NABCB (National Accreditation Board for Certification Body) has a record of penalizing about 20 certification bodies, which includes 12 suspensions, 11 cancellations, 2 applications rejected, almost all on account of malpractice. Typical issues observed are, all auditors not going on site, technical experts not going on site, audit days reduced as against those reported on paper. Another very significant impartiality issue observed is certification body having nexus with consultants, thereby creating a major conflict of interest situation.
 - d. As a part of requirements for impartiality management certain prohibitions have been specified in the standard (ISO/IEC 17021-1: 2015) such as a certification body cannot certify another certification body for its quality management system and it cannot provide management systems consultancy and internal audits. Further, in respect of other impartiality threats, a certification body is required to carry out identification and analysis of risks related to conflict of interest. Fundamental to all this is all likely risks to be declared and analyzed and in case the risk is observed to be unacceptable, the certification body shall not certify that client. However during its assessments NABCB came across many cases where significant risks to impartiality had not been declared and the certification body was continuing to certify even where the risks were unacceptable. For example, a case where the CB owner's wife and son were running a management system consultancy company. After this fact was discovered NABCB cancelled the accreditation of the CB, since this was considered a clear violation of one of the most important requirement of the accreditation standard.
2. **Use of Franchisees (including subcontractors/marketing associates)** – This was observed to be a very common business model followed by many of the certification bodies (Indian as well as foreign), to be able to create an outreach across India. Outsourcing of activities covering certification processes to another body is permitted under the accreditation standard for management system certification (ISO/IEC 17021-1: 2015), under certain conditions. However it was

observed that the franchisees/outsourced bodies of certification bodies were carrying out activities in blatant violation of the conditions specified, such as:

- a. Decision for grant of certification was being carried out by the outsourced bodies/franchisees, which is not permitted as per the standard.
- b. Franchisees are not authorized to issue certificates. However, in many cases of Indian franchisees of foreign certification bodies were observed to be issuing certificates here without knowledge of their principals. One certification body chief in India was jailed for carrying out such activity, which was termed as fraud.
- c. Marketing associates/agents – appointment of bodies called as marketing associates/agents, for carrying out marketing activities is observed typically among Indian CBs who are located in one part of India and want to do business all over India. However it was observed during investigations that many of these were consultants and fully managed the clients including consulting and certification. For all practical purposes, they acted as a certification body and were connected to the bona fide certification body only for the purpose of issuing an accredited certificate. Many times they would collect the fees from the client and pass on a portion of it to the certification body as commission. If, as a client one does have any communication what so ever from the certification body concerned, then the client needs to suspect something irregular is happening and needs to ask questions.

Based on the information about all these issues, International Accreditation Forum had set up a task force to ensure increased control over franchisees and has published **IAF MD 23:2018 Control of Entities Operating on Behalf of Accredited Management Systems Certification Bodies** which is effective May, 2019.

3. **Declaration of certificates** - One of the essential requirements that all accreditation bodies follow as a measure of effective control over the activities of the certification bodies accredited by them is the declaration of certificates issued. They require, as part of their contract with the certification bodies, the certification bodies to make a periodic declaration of the certificates granted under their accreditation. At an interval defined by the respective accreditation bodies, the accredited certification body is required to provide complete information regarding organizations granted accreditation, including the scope of certification. If any certificate is not declared, then that certificate is not considered as a valid certificate.
 - a. NABCB requires submission of a quarterly statement. If it is observed that any particular certificate has not been declared it is considered a serious lapse and depending upon the seriousness, scale of such lapse or the reasons given for the same, penal action amounting to cancellation of accreditation may also be considered.
 - b. In many cases a foreign buyer require the certified organization to submit the certificate at the time of contracting process and in cases of doubts or complaint, write to the concerned accredited body for confirmation of the certificate. If the

accreditation body discovers that certificate had not been declared, then it would invariably disown the certificate and start investigation for issuance of unauthorized certificate with accreditation body logo. But as far as the certified organization is concerned it will be left holding an invalid certificate and most likely to lose the contract with the buyer.

Many such instances have come to light, generally concerning foreign accreditation bodies operating in India. Invariably when the supplier is from India, the certificate is forwarded to NABCB. In case the certificate is issued under foreign accreditations, NABCB forwards those certificates to the respective accreditation bodies for authentication. As per NABCB's records in most case such certificates have been disowned by the relevant accreditation bodies.

4. **Accredited or unaccredited certificates** – To have an accredited or an unaccredited certificate or an accredited certificate from a certification body which has been accredited by an accreditation body which is an IAF MLA signatory, is a choice that an organization has to make while making a choice of the certification body. Because all types of certificates would be available in the market, following aspects should help in making the right choice:
- a. In light of what is stated earlier, today an unaccredited certificate or an accredited certificate from a certification body which has been accredited by an accreditation body which is not IAF MLA signatory, will have little meaning, since it will not fetch them an international equivalence.
 - b. It is not sufficient that the certification body of choice is accredited. It is important to check that its accreditation scope includes the technical sector of your organization. The certification bodies are accredited scope wise. Typically there are 39 IAF scope sectors - Food, Pharma, Construction, Metals, Chemicals, etc. Based on assessment of the certification body's competence these scope are included in its accreditation certificate. Hence it is important to review the accredited scopes of the certification body. This information is normally available on the accreditation body's website.
 - c. Certification body may claim that it is accredited by an accreditation body which has its systems in compliance with ISO/IEC 17011. However this is just a claim. Currently, IAF signatory status is the only available means to confirm International equivalence. Even being just a member of IAF is not sufficient. Further, some certification bodies are observed to be putting put an IAF logo in the unaccredited certificates issued by them. This is a violation because IAF logo can be used on the certificate only by those certifications bodies which are accredited by accreditation bodies who are IAF MLA signatories and in addition have entered in to a contract for use of IAF logo.
 - d. Hence the best choice would be to choose a certification body which is accredited by an accreditation body which is IAF MLA signatory. The list of such accreditation bodies can be obtained from IAF website www.iaf.nu. It should also be confirmed that the accredited certification body chosen has the relevant sector in its scope of accreditation. This information is normally available on the accreditation bodies' website.

- e. Some of the certificates as examples of issues described above are enclosed as annexes to this article.
5. Apart from the national accreditation body of India - National Accreditation Board for Certification Bodies (NABCB), other accreditation bodies based in other countries (Foreign) are also in operation in India. Although it can be stated that NABCB is in competition with them, NABCB cooperates with many of them in a bid to ensure quality of assessments. NABCB has MoUs with number of such bodies – DAKKS of Germany, RvA of Netherlands, UKAS of United Kingdom; ANAB of USA; CAI of Czech Republic; SAS of Switzerland, COFRAC of France; IAS of USA, etc. Many of them only rely on assessments done by NABCB and do not undertake assessments in India like DAKKS and UKAS.. However the responsibility for maintaining controls and oversight is theirs and there are physical and other constraints for the same:
- a. The accreditation bodies, who are located in foreign land and do not have offices in India, are unable to exercise same oversight as they would exercise over the certification bodies located in their own countries, since it is expensive to fly out auditors to India.
 - b. Many of the certification bodies in India operate as franchisees of foreign certification bodies operating under accreditation bodies based in their own countries and are declared as non-critical locations. As a result they are never assessed by the accreditation bodies. So virtually there is no independent (third party) oversight over their activities.
6. **Standards for certification** – In a bid to increase their client base the certification bodies are observed to be creating more market by hard selling certifications to standards which are not amenable for certification, such as guidance standards. Only specifications or requirement standards suitable for certification. Further, certification to these standards usually results in unaccredited certificates. However these facts are never told to its prospective clients. Some of the examples are given below:
- i. ISO 10002 on complaints handling.
 - ii. Codex standard on HACCP
 - iii. ISO 26000 on Social responsibility
 - iv. ISO 31000 on Risk Management

Its not technically correct to certify against these standards and yet certification bodies do.

Measures taken by NABCB – Based on its experience in the field, NABCB has introduced certain measures to ensure that the certification bodies it accredits abide by and continue to abide by the requirements of the standard they accredited against and

also the terms and conditions of their agreement with NABCB and to ensure, that they do not indulge in malpractice.

- i) **Validation audits** – These are visits by NABCB assessment teams directly to the certified clients. These were started in 2007 as a result of complaints that certificates were being given without audits. The purpose of these visits was to verify if audits actually took place as per the requirement specified in the accreditation standard and also to ascertain if the organizations certified were deserving of the certificate that they received. Based on the visits, a number of certification bodies ended up getting suspended. This practice of conducting validation audits still continues based on certain triggers such as complaints, information received during NABCB assessment of certification bodies, etc. It is very helpful in detecting malpractice. In fact, it has now become an international practice based on a guidance document established by IAF and referenced in ISO 17011 as well as a tool for accreditation bodies.
- ii) **Checking antecedents of owners of the certification body** - After coming across instances of the certification bodies having connections with consultancy companies through their relationships (personal or related bodies), NABCB has started checking antecedents of the owners of the CB. It is now taking declarations about affiliations of the shareholders, directors and their family members.
- iii) **Hiring of private detective agency** - In cases of applicant certification bodies, the information about them is available on NABCB website. All stakeholders and general public are free to provide any adverse information known to them to NABCB. Based on information received or complaints or knowledge of any past history of the owners, etc, NABCB also has provision for engaging private detective agencies for gathering evidence. If any incriminating evidence is made available then the application is liable to be rejected. In fact in few cases this action has been taken in the past.
- iv) **Awareness creation** – In association with the Industry bodies and consumer organizations, NABCB regularly conducts Industry as well as Consumer Awareness Programmes to industry and consumers about accreditation and related issues.

What is a certified/applicant organization entitled to - Organizations seeking accreditation/ already certified organizations also need to be alert to malpractices, irregularities being conducted by certification bodies, because the certified bodies will be the ultimate losers due to the actions of certification bodies. They may be left holding a certificate which is not valid or does not fetch them international equivalence and as a result they may even lose a big contract or an order. There have been examples where exporters have had their certificates rejected overseas and advised to get them endorsed by NABCB which we were unable to since these were unaccredited. As an applicant or accredited organization, you are entitled to certain documents from a certification body initially and after every audit. Organizations should insist on the same. These are:

- i. An agreement for certification services duly signed by the certification body. Do not accept an agreement signed by some other organization on its behalf.
- ii. Audit plan for each audit – Starting from the initial audits (carried out at application stage) the organization is entitled to an audit plan for every audit that is conducted by the certification body. As per the accreditation standard the certification body is required to carry out stage 1 and stage 2 audits before certification and there after yearly surveillances and a recertification audit before end of validity period in case the organization applies for recertification.
- iii. Audit team composition – The audit plan should give details of what activities will be audited and the audit team composition. Organizations being audited are entitled get additional details about auditors, to assess if there is any conflict of interest and they have a right to raise objection giving justification, to any member of the audit team in case any conflict is envisaged.
- iv. Nonconformities and Reports for each audit conducted – organizations are entitled to get in writing the non-conformities raised and the audit report, after every audit conducted by the certification body.
- v. Certificate issued by the certification body with all details like date of issue, expiry, scope, name and address etc. Since the organizations are expected to choose an appropriate certification body, accredited by an accreditation body which is signatory to IAF MLA, the certificate should contain the accreditation body logo along with the certification body logo.

Suggested Steps

As part of its due diligence exercise organizations desirous of getting certified can follow following steps:

- i. The certification body chosen should be accredited by an IAF MLA signatory accreditation body with the accredited office preferably located in India.
- ii. The IAF MLA Signatory status can be verified on IAF website www.iaf.nu.
- iii. Scope of certification of the organization should be covered in the certification body's accreditation scope. This can be verified from the accreditation body's website.
- iv. Accreditation body's logo should be on the certificate issued, alongside the certification body's logo.
- v. For organizations located in India it would be best to get certified by a certification body accredited by NABCB. Despite what is stated in market, NABCB accredited certificate is equivalent to those issued under accreditation from all other accreditation bodies which are IAF MLA signatory.

In case of any doubt about a certificate, an enquiry can be made to NABCB through an email sent to nabcb@qcin.org.