
# Code of Practice

## Consignment Based Conformity Assessment (CBCA) Services

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# PREFACE

Many developed countries have strong National Standards and Technical Regulations supported internally with a network of enforcement bodies and testing facilities. The threat to the globalisation of trade from such countries' measures to protect their consumers, environment etc led to the World Trade Organisation 'Technical Barriers to Trade' (TBT) Agreement. However, in many countries there is still a shortfall in consumer protection due to a lack of infrastructure and such countries seek external assistance to ensure the safety of their populations. At the same time, these countries aim to modernize their conformity assessment procedures and adapt to trade facilitation requirements in line with the TBT Agreement.

Such assistance is frequently contracted out to qualified private companies by the country's Standards Body or Authority in the form of Consignment Based Conformity Assessment (CBCA) as a means of checking on imported goods. A CBCA programme is designed to:

- Protect the consumer from dangerous, substandard or counterfeit products
- Improve the environment
- Protect domestic industry from unfair competition of non-compliant goods
- Facilitate trade through the avoidance of consignment testing upon arrival or multiple testing requirements.

CBCA provides the user country with a degree of reassurance that products entering its domestic market comply with either National or International Standards. Each consignment is evaluated for compliance to the appropriate Standards by verification of any test reports submitted, and/or, laboratory testing by a qualified laboratory. Physical verification is conducted in order to ensure that the products being shipped are those for which test reports have been submitted. A certificate is issued by the contracting company for each shipment.

As the interest for CBCA programmes has grown in recent years, the International Federation of Inspection Agencies (IFIA) has developed this Code of Practice to be applicable to those companies offering CBCA programmes. This Code of Practice is designed to provide confidence to Governments and consumers that IFIA Members implementing CBCA programmes comply with a recognised industry code and are subject to annual audit to ensure such compliance.

It does not detract from, or take precedence over, any legal or contractual duties undertaken by the IFIA Member company, and IFIA accepts no responsibility for acts or omissions of Members or others who may make use of it.

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# A. INTRODUCTION

## 1. Scope

1.1. This Code of Practice (CBCA-CoP) applies to those IFIA Members providing CBCA services and establishes guidelines for the provision by such IFIA Members of conformity assessment services for consignments of products to national or international standards and/or technical regulations set forth by competent Government authorities and Standardization bodies.

1.2. The CBCA-CoP is based on relevant principles of the WTO Agreement on Technical Barriers to Trade and on international standards.

1.3. The CBCA-CoP does not cover:

(i) Pre-shipment Inspection (PSI) activities. These activities are separately regulated and subject to the IFIA PSI-Code of Practice;
(ii) Product Certification activities carried out uniquely for the product itself and without assessment of consignments of such product.

## 2. Coverage

2.1. This CBCA-CoP establishes requirements for Members in order to deliver CBCA services and the minimum processes to be conducted in delivering such services. The CBCA-CoP will be regularly updated to reflect developments in the market and regulatory environment.

2.2. It has three parts. Part A provides the scope and definitions; Part B sets out those skills, knowledge and expertise that the company must have to provide an acceptable level of service in this domain. Part C describes the process and minimum performance levels required.

2.3. IFIA Members shall be audited once per year for compliance with the IFIA CBCA Code of Practice. The audit shall include random file selection and an audit check list. The audit may be carried out by IFIA or, by agreement with the IFIA secretariat, by an external auditor such as the Member's accredited ISO 9001 certification body.

## 3. Terms and Definitions

3.1. **"Consignment-based Conformity Assessment (CBCA)"** shall mean a process ensuring that a consignment of products to be shipped fulfils the relevant national or international standards and complies with technical regulations. Such process includes a review of conformity supporting documents, a physical verification of the consignment (where appropriate) and a correlation to shipping documents.

3.2. "**CBCA programmes"** shall mean rules, procedures and management for carrying out Consignment-based Conformity Assessment (CBCA) in a determined country and to which the same specified requirements apply. CBCA programmes are set by competent Government authorities and Standardization bodies and require consignments of imported goods to be covered by documented evidence of compliance to technical regulations and/or national or international standards.

3.3. "**Standards**" shall mean those standards applicable to the products in question. Such Standards shall encompass both National and International recognised Standards.

3.4. "**Technical Regulations**" shall mean those regulations created by the National Authority governing safety or environmental protection as recognised within the meaning of Standards.

3.5. "**TBT**" is the World Trade Organisation Technical Barriers to Trade Agreement.

3.6. "**Conformity supporting document**" shall mean test reports, certificates, reports of analysis, approval stating conformity or giving test/analysis results. Conformity supporting documents shall be issued by a "recognized body".

3.7. "**Recognized body**" shall mean:

(i) A Conformity Assessment Body (CAB) accredited by an accreditation body which is a member of ILAC or IAF (as appropriate for the kind of assessment) to the appropriate standard: ISO 17025 for laboratories; ISO Guide 65 for product certification bodies; ISO 17020 for inspection bodies. The accreditation scope shall be relevant to the product being assessed and to the applicable standards and/or technical regulations.

(ii) A laboratory that is owned by the IFIA Member, either directly or through a subsidiary, and is subject to the IFIA Member's management and audit systems.

(iii) The manufacturer's laboratory, having accredited certification to ISO 9001 or an equivalent quality management system standard, and who issues internal test reports to the applicable standards and/or technical regulations. The competency of the manufacturer's laboratory shall be demonstrated to the satisfaction of the IFIA Member through a list of test equipment, calibration records and quality control records or an equivalent proof of competence.

3.8. **"Registration"** shall mean a process ensuring that a product has been fully tested satisfactorily according to the relevant national or international standards and complies with the appropriate Technical Regulation and that physical verification demonstrates compliance. IFIA Members may provide specific conformity assessment procedures for shipments of registered products.

3.9 **"Licensing"** shall mean a process ensuring that a product has been fully tested satisfactorily according to the relevant national or international standard or any appropriate technical regulation. In addition, the manufacturer will undergo an annual audit of its quality procedures

and manufacturing processes. IFIA Members may implement specific conformity assessment procedures for shipments of licensed products.

3.10 "**Final documents**" shall mean those shipping documents stipulated in the applicable CBCA Programme (final commercial invoice, packing list, transport document, certificate of origin or similar) which are necessary for the issuance of a Certificate in addition to Conformity supporting documents.

# B. GENERAL REQUIREMENTS

## 1. Integrity

All IFIA Members, in compliance with the requirements of the IFIA Compliance Code, shall:

1.1. Establish a set of corporate values that eschew corrupt practices and promote honesty in the approach of the organization and its employees to clients and other stakeholders.

1.2. Implement rules and procedures to ensure that these corporate values are observed in all its activities, including;

(i) An appropriate formal and published policy statement at the highest level in the organization, setting out the relevant corporate values;

(ii) Implementation of procedures to ensure that all employees are aware of these values and apply them in the performance of their duties;

(iii) Establishment of mechanisms for reporting cases of non-observance of these values, including the protection of those initiating the reports;

(iv) Recording systems adequate to permit the audit of incidents of non-compliance with relevant corporate rules and procedures in this domain.

## 2. Confidentiality

2.1. IFIA Members shall treat all information received in the course of a CBCA programme as business confidential and staff shall be required to sign a non-disclosure agreement.

2.2. IFIA Members shall implement adequate security measures in their offices containing confidential business information to ensure that

(i) Access is restricted to authorised personnel only;

(ii) Documents/data are stored in designated secure areas; and,

(iii) All sensitive material is disposed of by shredding, disintegration or incineration under supervision of authorised personnel.

## 3. Impartiality and independence

IFIA Members shall, through appropriate procedures and management controls:

3.1 Manage, prevent and/or avoid conflicts of interest, notably by establishing mechanisms for identifying and resolving potential conflicts of interest within the organization or in its relations with its clients and stakeholders:

(i) Between IFIA Members and any related entities of the IFIA Members in question, including any entities in which the latter have a financial or commercial interest or any entities which have a financial interest in the IFIA Members in question, and whose consignments the IFIA Members are to inspect;

(ii) Between IFIA Members and any other entities, including other entities subject to such verification, with the exception of the government entities contracting or mandating the programme;

(iii) With divisions of IFIA Members engaged in activities other than those required to carry out the verification process.

3.2 Be objective, ensuring that behaviour and decisions are not influenced by the client's or other parties' interests;

3.3 Have suitable facilities and equipment and appropriate risk mitigation strategies to cover situations in which there is a risk of compromise in outsourcing activities;

3.4 Ensure that the services provided lead to the full and fair implementation of the relevant CBCA programme rules and criteria; and,

3.5 Observe the independence criteria of Annex A of ISO 17020.

## 4. Competence

IFIA Members shall possess the following attributes.

4.1. To support the consistency of delivery of services covered by these criteria, the IFIA Member shall implement a quality management system in accordance with or equivalent to ISO 9001.

4.2. The IFIA Member shall demonstrate competence as an accredited conformity assessment body through accreditation to ISO Guide 65, ISO 17020 or similar by an accreditation body signatory of the MRA of IAF/ILAC, as applicable. While the accreditation need not extend to every branch of the member's network, all branches engaged in the CBCA activity shall operate under the member's system that is subject to accreditation and be under the control of personnel deemed competent under the terms of the member's accreditation.

4.3. IFIA Members shall demonstrate an appropriate knowledge of international standards and technical regulations, including a full comprehension of conformity assessment activities (testing, inspection, certification of products and systems).

4.4. IFIA Members shall have a sufficient number of qualified permanent personnel performing evaluation of "Conformity supporting documents". Such qualifications shall be left to the individual IFIA Member to decide. However, it is expected that the personnel have experience and are trained on the specific requirements of the relevant CBCA Programme(s).

4.5. Inspectors conducting physical verification shall have undergone appropriate training.

4.6 Inspectors shall demonstrate competence in the inspection of products and shall be qualified by the IFIA Member.

4.7. Inspectors and other qualified personnel shall be monitored and evaluated annually in accordance with the IFIA Member's quality procedures.

4.8. The IFIA Member shall have procedures for tracking and disseminating information about changes in the regulatory environment.

## 5. Office and global network

5.1. The IFIA Member shall have an organisation with management systems integrating this Code of Practice.

5.2. The Management Systems shall require nomination of a manager who is qualified and experienced in the operations of the IFIA Member and who has overall responsibility for the IFIA Member's compliance with this Code of Practice.

5.3. The IFIA Member shall itself normally perform the inspections which it contracts to undertake under a CBCA programme. To this purpose, the IFIA Member should have a global network of offices with sufficient personnel.

5.4. The IFIA Member shall have available to it, suitable and adequate facilities and equipment to permit all the necessary activities to be carried-out. This will, for example, include (a) computerised databases capable of recording and retrieving details of goods inspected, the results of conformity assessment and laboratory tests (b) facilities for communicating electronically between all offices in the IFIA Member's network.

5.5. The IFIA Member shall have or have access to sufficient laboratories that are accredited to ISO 17025, or equivalent where applicable, with the appropriate scope, in order to provide testing services to the exporters and goods which are subject to a CBCA Programme.

5.6. Where the IFIA Member does not have the necessary office and/or laboratory network in a particular region/country, then it may subcontract inspection or testing activities after ensuring that the subcontractor has the necessary competence, infrastructure and accreditation to perform such activity. IFIA Members shall ensure subcontractors' compliance to this Code of Practice.

## 6. Governmental requirements

6.1. In carrying-out conformity assessment activities, IFIA Members shall follow the applicable laws, regulations and requirements of relevant Government authorities.

6.2. Within the above scope, IFIA Members shall take care not to create unnecessary obstacles to international trade. Procedures and information requirements shall be limited to what is necessary to assess conformity.

## 7. Performance Standards

7.1. IFIA Members shall design their management system to ensure compliance with the performance Standards set, where applicable, by the relevant Government authorities.

7.2. In any event, as a minimum requirement, IFIA Members shall ensure compliance with the following performance Standards:-

(i) Date of physical inspection: subject to receipt of satisfactory conformity documents, to be either on the date requested by the exporter or within the notice period published by the IFIA Member, whichever is the longer.

(ii) Date of issuance of either a Certificate or a Discrepancy Report (explaining reason for non-issuance of Certificate): to be within 5 working days of receipt of acceptable final documents and satisfactory completion of inspection.

## 8. Non-Discrimination

8.1. CBCA programmes shall be conducted in a non-discriminatory manner. The procedures and criteria employed in the conduct of these activities should be objective and applied on an equal basis to all importers/exporters affected by such activities.

8.2. Procedures and criteria may vary according to Government authorities' requirements and to risks assessed for a specific consignment but the rules of application shall be uniform and non-discriminatory.

## 9. Transparency

IFIA Members shall ensure that guidelines to any CBCA programme are available to exporters or importers via the internet or in printed version. These guidelines shall provide clarity as to the basis on which CBCA services are provided, having regard to legislation, standards, procedures and criteria, best practice and other relevant aspects to the CBCA programme.

## 10. Complaints and Appeals

10.1. IFIA Members shall have documented procedures for receiving, deliberating and deciding on complaints about CBCA services. This shall include provisions for taking appropriate corrective action where a complaint is upheld.

10.2. IFIA Members shall have documented procedures for the consideration and resolution of appeals against the results of its CBCA services.

10.3. A record shall be maintained of all complaints and appeals and of the actions taken by the IFIA Member.

# C. PROCESS FOR CONSIGNMENT-BASED CONFORMITY ASSESSMENT

## 1. Consignment Conformity Assessment

1.1 The IFIA Member shall perform an evaluation of the objective evidence that a consignment of products fulfils requirements of applicable standards and/or technical regulations.

1.2 Such evaluation activities shall include:-

(i) Review of conformity supporting documents provided by the client and applicable to the consignment of products that are subject to the CBCA programme.

(ii) Physical verification that the products intended to be shipped are those for which valid conformity supporting documents have been reviewed. The physical verification shall also include checks regarding conformity of the goods with applicable standards and national deviations such as labelling, marking or shelf-life requirements in particular.

(iii) Assessment of the conformance risks of the products and specific consignment to be shipped.

(iv) The comparison of the inspected products with the shipping and/or transaction documents.

1.3 Details and results of the evaluation conducted by the IFIA Member shall be documented through a specific report or check-list which shall be retrievable from the IFIA Member's filing system.

1.4. Reduced and/or specific evaluation activities may be applicable to Registered or Licensed products (as per sections 4 and 5 below) and/or as per Government authorities' documented requirements.

1.5 The methodology of performing the above evaluation activities shall be determined by the IFIA Member in agreement with the Government authorities establishing a CBCA Programme.

## 2. Conformity Supporting Documents

2.1 Each consignment of product shall be required to have satisfactory conformity supporting documents.

2.2 The conformity supporting document shall cover the essential requirements and demonstrate that the product in question complies with the relevant national, international standards and any extant technical regulations. Compliance to national deviations related only to marking may be checked during the physical inspection.

2.3 Where exporters are unable to produce a valid and acceptable conformity document, they shall be given the opportunity to submit the product for testing. IFIA Members may implement a control test process whereby the complexity and level of testing is reduced from full testing in accordance with the appropriate standard. Such 'control testing' requirements shall be given to the test laboratory and the exporter. The exporter/importer shall have free choice of the test laboratory under the conditions of paragraph 1 of this section.

2.4 Conformity supporting documents shall be retrievable from the IFIA Member's filing system.

## 3. Physical Verification

3.1 Physical verification shall be conducted in such a manner to minimise the amount of potential disruption in the supply chain. Wherever possible, inspection shall be carried out at the time of shipment of the consignment.

3.2 Physical verification details and results shall be documented through a specific report or check-list which shall be retrievable from the IFIA Member's filing system.

## 4. Registration

4.1 Registration of products regularly shipped shall permit a reduced level of requirements at the time of shipment of consignments.

4.2 Eligibility to Registration, requirements at time of shipment for registered products and process of Registration shall be determined by the Government authorities establishing a CBCA Programme in agreement with the IFIA CBCA Member. The processes detailed in this section shall apply unless expressly excluded by the contracting Government authorities.

4.3 The importer/exporter wishing to register a product must make application to the IFIA Member.

4.4 The acceptance of the application is conditional upon:

(i) The importer/exporter/manufacturer having no record of standards contraventions.

(ii) Submission of a sample of the product along with the appropriate laboratory test reports demonstrating full compliance with the required standards and regulations.

4.5 The IFIA Member may reserve the right to conduct any further testing that they may consider necessary. It is not permitted to test a sample from a shipment for the purposes of registration.

4.6 The IFIA Member shall perform a review of the test reports and shall physically examine the product. In case of satisfactory results, Registration may be granted.

4.7 Registration of a product for the import into one country cannot automatically be extended to import into another country. A separate application should be made to the IFIA Member who must ensure that the products comply with the required standards and regulations.

4.8 Registration is unique to the applicant and shall not be transferred to third parties. It may be extended to other manufacturing plants of the same company; however verification should take place to ensure the same level of quality control at the additional plant.

4.9 Registration is valid for a maximum of one calendar year. It can be extended upon receipt of a new application and satisfactory review by the IFIA Member.

4.10 IFIA Members shall maintain a record of Registrations granted, including sufficient details to permit the audit of the provisions of the present Code of Practice.

4.11 Mutual recognition of Registrations between IFIA Members is encouraged.

4.12 Shipments of registered products shall be subject to physical verification at a minimum frequency of 3 months. Additionally, the IFIA Member shall establish a documentary monitoring process of each shipment to ensure continued compliance of the product with the standards.

4.13 IFIA Members shall maintain a record of the examination level of each shipment of registered products.

## 5. Licensing

5.1 Except as otherwise specified below, the provisions of section C.4 shall apply to the Licensing of products.

5.2 Applications for product licensing shall be submitted by the product manufacturer.

5.3. Eligibility for licensing, requirements at time of shipment for licensed products and process of Licensing shall be determined by the Government authorities establishing a CBCA Programme in agreement with the IFIA CBCA Member. The processes detailed in this section and section C.4 shall apply unless expressly excluded by the contracting Government authorities.

5.4 The IFIA Member shall:

(i) Perform a review of the test reports and of the manufacturer's quality system documentation,
(ii) Physically examine the product and,

(iii) Conduct an audit of the manufacturing process.

In case of satisfactory results, Licensing may be granted.

5.5. The IFIA Member shall conduct an annual audit of the manufacturing process and review the quality management system for licensed products.

5.6 Shipments of licensed products shall be subject to physical verification at a minimum frequency of 6 months. Additionally, the IFIA Member shall establish a documentary monitoring process of each shipment to ensure continued compliance of the product with the standards.