

**Recommendations made by the ACCREDIA Steering and Guarantee Committee relating to the definition of harmonized criteria for the verification of some requirements of the standard ISO/IEC 17020:2012 for the assessment and surveillance activities of accredited Inspection Bodies**

The following paragraphs concerning the standard ISO/IEC 17020:2012, briefly highlight the main references and definitions to be related to the recommendations made by the ACCREDIA Steering and Guarantee Committee.

Note: although some elements listed in the following table are already clearly defined by the standard ISO/IEC 17020:2012, they are also referred to here as being of particular significance with respect to the issue of impartiality.

The requirements of the reference standard, accompanied by the notes taken from it, refer mainly to the issue of conflicts of interest with respect to accredited parties.

All Inspection Bodies must operate impartially, whilst they may, with the exception of Type A bodies, not be independent from the legal entity that commissioned the inspection activities. It should be remembered that Inspection Bodies are classified according to the level of independence (Type A, B or C).

- Type A: the Inspection Body that exclusively performs conformity assessment activities and is therefore a third-party body;
- Type B: the Inspection Body is a separate and identifiable part of an organization, and operates only for this parent organization;
- Type C: the Inspection Body is an identifiable, but not necessarily separate, part of an organization, and can perform activities both for the parent organization and for other organizations.

It is therefore necessary to distinguish clearly between the problems related to the lack of impartiality of the Body and the inspection staff (objectivity, independence of judgment and integrity), from those related to the presence of possible ownership links between the client and the Inspection Body (independence of the IB).

Below are some definitions and paragraphs of ISO/IEC 17020:2012, which refer specifically to the topics covered in the document.

<p><b>3.8 Impartiality: Presence of objectivity.</b></p>	<p>NOTE 1: Objectivity means that conflicts of interest do not exist or are resolved so as not to adversely influence subsequent activities of the inspection body.</p> <p>NOTE 2 to entry: Other terms that are useful in conveying the element of impartiality are: independence, freedom from conflict of interests, freedom from bias, lack of prejudice, neutrality, fairness, open-mindedness, even-handedness, detachment, balance.</p>
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<b>4.1.1 Impartiality and independence</b>	Inspection activities shall be undertaken impartially.
<b>4.1.2</b>	The inspection body shall be responsible for the impartiality of its inspection activities and shall not allow commercial, financial or other pressures to compromise impartiality.
<b>4.1.3</b>	<p>The inspection body shall identify risks to its impartiality on an ongoing basis. This shall include those risks that arise from its activities, or from its relationships, or from the relationships of its personnel. However, such relationships do not necessarily present an inspection body with a risk to impartiality.</p> <p>NOTE: A relationship that threatens the impartiality of the inspection body can be based on ownership, governance, management, personnel, shared resources, finances, contracts, marketing (including branding), and payment of a sales commission or other inducement for the referral of new clients, etc.</p>
<b>4.1.4</b>	If a risk to impartiality is identified, the inspection body shall be able to demonstrate how it eliminates or minimizes such risk.
<b>4.1.5</b>	The inspection body shall have top management commitment to impartiality.
<b>4.1.6</b>	<p>The inspection body shall be independent to the extent that is required with regard to the conditions under which it performs its services. Depending on these conditions, it shall meet the minimum requirements stipulated in Annex A, as outlined below.</p> <ul style="list-style-type: none"> <li>a) An inspection body providing third party inspections shall meet the type A requirements of Clause A.1 (third party inspection body).</li> <li>b) An inspection body providing first party inspections, second party inspections, or both, which forms a separate and identifiable part of an organization involved in the design, manufacture, supply, installation, use or maintenance of the items it inspects and which supplies inspection services only to its parent organization (in-house inspection body) shall meet the type B requirements of Clause A.2.</li> <li>c) An inspection body providing first party inspections, second party inspections, or both, which forms an identifiable but not necessarily a separate part of an organization involved in the design, manufacture, supply, installation, use or maintenance of the items it inspects and which supplies inspection services to its parent organization or to other parties, or to both, shall meet the type C requirements of Clause A.3.</li> </ul>

<p><b>A.1 Independence Requirements for Inspection Bodies</b></p>	<p>Type A</p> <p>The Inspection Body as referred to in 4.1.6 a) shall meet the following requirements:</p> <ul style="list-style-type: none"> <li>a) The inspection body shall be independent of the parties involved.</li> <li>b) The inspection body and its personnel shall not engage in any activities that may conflict with their independence of judgment and integrity in relation to their inspection activities. In particular, they shall not be engaged in the design, manufacture, supply, installation, purchase, ownership, use or maintenance of the items inspected.</li> </ul> <p>NOTE 1 This does not preclude exchanging technical information between the client and the inspection body (e.g. explanation of findings, or clarifying requirements or training).</p> <p>NOTE 2 This does not preclude the purchase, ownership or use of inspected items that are necessary for the operations of the inspection body, or the purchase, ownership or use of the items for personal purposes by the personnel.</p> <ul style="list-style-type: none"> <li>c) An inspection body shall not be a part of a legal entity that is engaged in design, manufacture, supply, installation, purchase, ownership, use or maintenance of the items inspected.</li> </ul> <p>NOTE 1 This does not preclude exchanging technical information between the client and any other part of the same legal entity of which the inspection body is a part (e.g. explanation of findings, or clarifying requirements or training).</p> <p>NOTE 2 This does not preclude the purchase, ownership, maintenance or use of inspected items that are necessary for the operations of another part of the same legal entity, or for personal purposes by the personnel.</p> <ul style="list-style-type: none"> <li>d) The inspection body shall not be linked to a separate legal entity engaged in the design, manufacture, supply, installation, purchase, ownership, use or maintenance of the items inspected by the following: <ul style="list-style-type: none"> <li>1) Common property, except where the owners have no ability to influence the outcome of an inspection;</li> </ul> <p>Example 1</p> <p>A cooperative type of structure where there are large numbers of stakeholders, but they (individually or as a group) have no ability to influence the outcome of an inspection.</p> </li> </ul>
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	<p>Example 2</p> <p>A holding company consisting of several separate legal entities (sister companies) under a common mother company, where neither the sister companies nor the mother company can influence the outcome of an inspection.</p> <p>2) Persons appointed by a common owner on the boards of directors or their equivalent of organizations, except where they perform functions that have no influence on the outcome of an inspection;</p> <p>Example</p> <p>A bank that finances a company may require the nomination of a person to the board of directors in order to follow the way in which the company is run, but it does not get involved in any decision making.</p> <p>3) Directly reporting to the same higher level of management, except where this cannot influence the outcome of an inspection;</p> <p>NOTE Reporting to the same higher level of management is permitted on matters other than design, manufacture, supply, installation, purchase, ownership, use or maintenance of the items inspected.</p> <p>4) Contractual commitments, or other means that may have an ability to influence the outcome of an inspection.</p>
<p><b>A.2 Requirements for Inspection Bodies (Type B)</b></p>	<p>The Inspection Body referred to in 4.1.6 b) shall meet the requirements below.</p> <p>a) Inspection services shall only be supplied to the organization of which the inspection body forms a part.</p> <p>b) A clear separation of the responsibilities of the inspection personnel from those of the personnel employed in the other functions shall be established by organizational identification and the reporting methods of the inspection body within the parent organization.</p> <p>c) The inspection body and its personnel shall not engage in any activities that may conflict with their independence of judgment and integrity in relation to their inspection activities. In particular, they shall not be engaged in the design, manufacture, supply, installation, use or maintenance of the items inspected.</p>

	<p>NOTE 1 This does not preclude exchanging technical information between the inspection body and the other parts of the organization of which the inspection body forms a part, e.g. explanation of findings or clarifying requirements or training.</p> <p>NOTE 2 This does not preclude the purchase, ownership or use of inspected items that are necessary for the operations of the inspection body, or the purchase, ownership or use of the items for personal purposes by the personnel.</p>
<p><b>A.3 Requirements for Inspection Bodies (Type C)</b></p>	<p>The Inspection Body in referred to in 4.1.6 c) shall meet the requirements below.gr</p> <ul style="list-style-type: none"> <li>a) The Inspection Body shall provide safeguards within the organization mechanisms to ensure adequate segregation of accountabilities between inspections and other activities.</li> <li>b) The design/manufacture/supply/installation/servicing/maintenance and the inspection of the same item carried out by a Type C inspection body shall not be undertaken by the same person. An exception to this is where a regulatory requirement explicitly allows an individual person from a Type C inspection body to undertake both the design/manufacture/supply/installation/servicing/maintenance and the inspection of the same item, as long as this exception does not compromise the inspection results.</li> </ul> <p>NOTE Inspections carried out by Type C inspection bodies cannot be classified as third party inspections for the same inspection activities because they do not meet the requirements of independence of operations for Type A inspection bodies.</p>

The table below contains six columns:

- the first shows the sequential number;
- the second shows the reference paragraph of the standard ISO/IEC 17020:2012;
- the third shows the type of conflict (macro-category);
- the fourth shows examples taken as references by the Committee;
- the fifth shows the survey modalities which can be implemented for verifying the conflict of interest;
- the last one shows a brief assessment regarding acceptability or non-acceptability of the situation/activity with regard to a conflict of interest.

This table can be used to develop the risk analysis document, or as a checklist for doing internal or external audits.

The table below is structured in two sections.

The first identifies problems relating to impartiality, while the second refers to problems relating to independence.

**Possible threats to the impartiality of the Inspection Body**

N°	Requirements of ISO/IEC 17020 (paragraph)	Typology of conflict	Example of activity/situation of conflict	Method of inquiry	Acceptability
1.	4.1.3.	Risk: own interest.	Interferences between the Body and other business lines of the parent company such as training, examination centre, consultancy.	Organization chart.	Acceptable, provided that it is managed in the risk analysis which must identify specific mitigation actions.
2.	4.1.3.	Risk: self-review.	Director/Technical Manager who performs the role of inspector for the same client (review of the client order).	Analysis of the client order during surveillance activities.	Acceptable. The personnel authorized to sign the audit report could be the Technical Director/Technical Officer, even if s/he was the inspector for the same client order.

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3.	4.1.3.	Risk: self-review.	The communications of appointment of the inspectors do not provide for the unambiguous indication of the persons involved in the project submitted to verification.	Analysis of the letters of appointment during order sampling.	Acceptable provided that the appointed inspector is not involved with the item to be inspected and with the individual persons involved in the project.

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4.	4.1.3.	ISO 17020 consultancy to another Body.	Consultancy to another Body.	Invoices.	<p>Not acceptable that an ISO 17021-1 accredited CAB advises other CABs on management systems (and therefore also on ISO 17020).</p> <p>There are no restrictions if the CAB is not ISO 17021-1 accredited.</p> <p>See the decision of the Maintenance Group ISO 17021-1 of June 20211.</p> <p>Acceptable if the other CAB belongs to the same group.</p>

<sup>1</sup> ISO 17021-1, § 5.2.5 applies to any MS consultancy regardless of its purpose and the consultancy in this context would be to help another conformity assessment body building its management system as per the MS clauses of ISO/IEC 17025 or ISO/IEC 17020 and this goes against clause 5.2.5 of ISO/IEC 17021-1.



N°	Requirements of ISO/IEC 17020 (paragraph)	Typology of conflict	Example of activity/situation of conflict	Method of inquiry	Acceptability
5.	4.1.3.	Risk: own interest.	Sharing of some premises of the Body with design organizations.	Examination of balance sheet items, site inspection at the Body's premises.	Acceptable for Type B or C bodies.  Acceptable for Type A Bodies as long as there is no personnel who perform design activities or staff performing inspections.
6	4.1.3.	Risk: own interest.	Sharing of know-how (client files, databases, etc.) of the Body with a design or consulting company.	Organization chart, job descriptions, service orders, inspections of the Body's activities, including the sampling of files.	Not acceptable.
7.	4.1.3.	Risk: own interest.	<u>Construction sector</u>  Inspection Body that works on orders followed by a design company that is part of the same corporate group.		Acceptable.  The current legislation on public contracts identifies the incompatibility between an external

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					<p>verification assignment for validation for the same project of the design activity, safety coordination, works management and safety coordination of this, and testing. Article 26, paragraph 7 of Legislative Decree n. 50/2016 (hereafter "New contract code" or "Legislative Decree 50/2016") states as follows:</p> <p>The performance of the verification activities is incompatible with the performance, for the same project, of the design activity, the coordination of its safety, the construction management and testing. The incompatibility necessarily refers to the same legal entity and cannot be applied, as such, to</p>

N°	Requirements of ISO/IEC 17020 (paragraph)	Typology of conflict	Example of activity/situation of conflict	Method of inquiry	Acceptability
					<p>any activities subsequently undertaken, each on its own behalf, by different companies of the same group. The two companies of the group cannot share corporate shares and must have a strong governance that guarantees a real separation of roles and responsibilities. The staff employed in the inspection activities cannot be used for the same client, for the design activity.</p>

**Possible threats to independence of the Inspection Body (applicable only to Type A Bodies)**

N°	Requirements of ISO/IEC 17020 (paragraph)	Typology of conflict	Example of activity/situation of conflict	Method of inquiry	Acceptability
1.	4.1.6 a)	Risk: familiarity.	The role of Procedure Head Officer is covered by people who are part of the IB's structure.	Organization chart, analysis of orders.	Not acceptable.
2.	<b>A1 Requirements for inspection bodies (Type A)</b>	Risk: familiarity.	Personnel of the IB (full-time employee or not) who carry out consultancy activities (or other activities in conflict of interest) on the item submitted for inspection, or on the family of items for inspection, towards the legal entity that has requested inspection, or with respect to various legal entities.		Not acceptable.  The inspection staff shall not perform activities of consultancy, design, installation (...) with respect to a family of inspected items, in accredited scopes.  Non-dependent inspection personnel shall not carry out consultancy, design, installation (...) activities for a family of inspected items, for the

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					<p>client for whom the inspection activity is to be carried out.</p> <p><b>Note: on this second point, a discussion is underway in EA, to understand whether this prohibition should also apply in the event that a conflict exists with any legal entity, and not only for the client for whom the inspection activity is undertaken.</b></p>