IFS Broker is a Standard for auditing persons and/or companies who may or may not own the products but typically who do not take physical possession of the products (e.g. which do not have warehouses, packing stations or truck fleet, but are legal entities with mailboxes, offices, etc.).

The Standard applies to food and household and personal care/products as well as to packaging materials.

IFS Broker only covers broker services, but if a (food or HPC or packaging) processing company also has broker services and would like to certify both activities, a combined audit, respectively IFS Food or IFS HPC or IFS PAC secure and IFS Broker shall be performed.
INITIAL CERTIFICATION

1 APPLICATION AND PRELIMINARY TALK

The commissioning of the SGS to conduct audits is basically based on the „Application and Order for certification“.

After receipt of the order these will be checked in the following points on its feasibility:

- Completeness of information and compliance with the quotation data
- Feasibility (Standard/Type of company/appointed day)
- Admissibility of exclusions if client applied for

If necessary, a preparatory informal visit of the lead auditor takes place at the customer premises. In the case that a company carries out a pre-audit, the auditor who performs this audit is other than during the initial audit.

2 PRE-AUDIT INCL. REPORT (OPTIONAL)

If required by client SGS performs a pre-audit. During pre-audit all requirements of the Standard will be audited based on a sample check. The aim is to identify possible weaknesses with company’s procedures. If ordered by client a report will be done (optional).

3 AUDIT PREPARATION

3.1 Personnel Allocation

In the first instance SGS allocates the lead auditor and – if necessary – further members of the audit team. Doing so it shall be ensured that the general qualification criteria for auditors according to ISO 19011 are fulfilled. The members of the audit team will be announced to the client in due time prior to the scheduled audit date.

3.2 Audit plan

The date of the certification audit is usually agreed with a lead time of 8 weeks with the customer.

In coordination with the client the lead auditor prepares a documented audit plan for the execution of the audit. The plan will be send to the client approx. 2 weeks prior of the scheduled audit date.

The plan contains amongst other things the following information:

- Date and time of the audit
- Name of the lead auditor/team members
- Audited standard
- Audits language
- Departments/Function/Process to be audited
4 CONDUCTING THE AUDIT

4.1 Opening meeting

At the beginning of the audit an opening meeting will be conducted with senior management and quality management representative as well as other participants appointed by company. During opening meeting the lead auditor explains the audit- and certification process. Furthermore the certification scope and applicable technology scope will be confirmed. If necessary adjustments to the audit plan will be done.

4.2 Document review

During audit the auditor evaluates the relevant and necessary documentation which includes amongst other things quality management documentation, HACCP documents/risk assessment and evidences for hazard assessments.

4.3 Evaluation of the site/transport unit

To confirm compliance of the company with IFS requirements the auditor shall evaluate and grade all requirements of the IFS standard during audit. For that purpose the auditor will conduct interviews with personnel from all levels of responsibility e.g. senior management, department leaders, supervisors.

4.4 Preparation of final conclusions drawn from the audit

The auditor grades his findings from the according to the following scheme:

- **A** 20 Points = Full compliance with the requirement specified in the Standard
- **B** 15 Points = Almost full compliance with the requirement specified in the Standard, but a small deviation was found
- **C** 5 Points = Only a small part of the requirement has been implemented
- **D** -20 Points = The requirement in the Standard has not been implemented
- **NA** not applicable

Besides the above mentioned grading the auditor can raise a non-conformity “KO” (D grading at KO requirement) or a Major if a substantial failure of a certain IFS requirement is identified during audit. If a non-conformity is raised during audit this has a severe impact on the total result of the audit.

4.4.1 KO

A “KO” (D grading at a KO requirement) will be raised if one (or more) of the 8 KO-requirements are not implemented or a substantial failure is identified during audit. The 8 defined KO-requirements in IFS Food are:

- 1.2.3. Responsibility of the senior management
- 2.1.1 Risk Management/HACCP
- 4.2.2 Product specifications
- 4.6.1 Traceability system
- 5.1.1 Internal audits
- 5.2.2 Product analysis
- 5.5.2 Procedure for withdrawal and recall
- 5.7.2 Corrective actions

When a KO requirement has been graded as “D”, 50 % of the possible total amount of points will be subtracted automatically meaning that the company is “not approved” for IFS Broker certification.

In case of a surveillance audit (re-certification) the current valid certificate will be blocked by certification body within 2 working (starting after last audit day) within IFS Portal. All user of IFS Portal who has added the company to their “Favorites” will be informed by an automatically generated Email. In each case, the audit shall be completed and all requirements shall be evaluated in order to give the company a complete overview about its situation. In these situations, a complete new audit shall be performed. The new audit shall be scheduled no earlier than 6 weeks after the audit where a KO was scored with D.
4.4.2 Major

A Major non-conformity can be given to any requirement which is not defined as KO requirement.

When there is a substantial failure to meet the requirements of the Standard, which includes food safety and/or the legal requirements of the production and destination countries. A Major can also be given when the identified non-conformity can lead to a serious health hazard.

A Major will subtract 15% of the possible total amount of points.

In case of a surveillance audit (re-certification) the current valid certificate will be blocked by certification body within 2 working (starting after last audit day) within IFS Portal. All user of IFS Portal who has added the company to their “Favorites” will be informed by an automatically generated Email. In each case, the audit shall be completed and all requirements shall be evaluated in order to give the company a complete overview about its situation.

In case one Major non-conformity has been identified and at least a total score of 75% or above is achieved the company can go for a follow up audit. In cases where more than one Major non-conformity have been identified, a complete new audit shall be performed. The new audit shall be scheduled no earlier than 6 weeks after the audit where Major non-conformities were issued.

4.5 Closing Meeting

During the closing meeting, the auditor (or lead auditor in the case of an audit team) shall present a non-committal summary of all findings and confirm all deviations and non-conformities which have been identified. The auditor may only issue a provisional assessment of company’s status during the closing meeting.

5 REPORTING

5.1 Audit Report

After completion of the audit the preliminary report and corrective action plan will be send to the client by lead auditor (latest after 14 calendar days).

The audit report is subdivided into different sections:

- General information about the company with compulsory fields
- General audit result with detailed description of the scope
- General summary in a tabular format for all chapters. The result of the audit will specify the level and percentage.
- General summary of all chapters and comments about follow up of corrective actions implemented from the previous audit
- Observations on KO requirements and Major non-conformities if applicable
- Summary of all established deviations and non-conformities for each chapter (1 to 6)
- Separate list (including explanations) of all requirements evaluated with N/A (not applicable)
- Detailed audit report with compulsory fields for some IFS Broker requirements

5.2 Corrective Action Plan

The company shall enter proposed corrective actions for all deviations (B, C, D) and KO requirements scored with a B and non-conformities (Major, KO requirements scored with a D) listed by the auditor.

For all evaluated deviations with grade C and D, as well as non-conformities, Major or KO requirements scored with a B and/or a D, the company shall clearly state the responsibilities and implementation deadlines for corrective action. The company shall forward the corrective action plan to the certification body within 2 weeks of having received the pre-report of the audit and the corrective action plan. If this deadline is not respected, the company has to undergo a complete initial or renewal audit.

The proposed corrective actions are subject to evaluation by lead auditor, after confirmation of lead auditor the corrective action plan is released by lead auditor and send to certification body for technical review. If the corrective actions are not valid or are inadequate, the certification body shall return the action plan to the company for completion in due time.
6 CERTIFICATE

The report and released corrective action plan will be reviewed by certification body. After technical approval of report and released corrective action plan the certification decision will be done by competent personnel of the certification body.

Awarding the certificate is based on the total result of the audit:

<table>
<thead>
<tr>
<th>AUDIT RESULT</th>
<th>STATUS</th>
<th>ACTION COMPANY</th>
<th>REPORT FORM</th>
<th>CERTIFICATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>At least 1 KO scored with D</td>
<td>Not approved</td>
<td>Actions and new initial audit to be agreed upon</td>
<td>Report gives status</td>
<td>No</td>
</tr>
<tr>
<td>&gt; 1 Major and/or total score &lt; 75 %</td>
<td>Not approved</td>
<td>Actions and new initial audit to be agreed upon</td>
<td>Report gives status</td>
<td>No</td>
</tr>
<tr>
<td>Max 1 Major and total score ≥ 75 %</td>
<td>Not approved unless further actions taken and validated after follow-up audit</td>
<td>Send completed action plan within 2 weeks of receiving the preliminary report. Follow up audit max. 6 months after the audit date</td>
<td>Report including action plan gives status</td>
<td>Certificate at foundation level, if the Major non-conformity is finally solved as controlled during the follow-up audit</td>
</tr>
<tr>
<td>Total score is ≥ 75 % and &lt; 95 %</td>
<td>Approved at foundation IFS Broker level after receipt of the action plan</td>
<td>Send completed action plan within 2 weeks of receiving the preliminary report.</td>
<td>Report including action plan gives status</td>
<td>Yes, certificate at foundation level, 12 months validity</td>
</tr>
<tr>
<td>Total score is ≥ 95 %</td>
<td>Approved at higher IFS Broker level after receipt of the action plan</td>
<td>Send completed action plan within 2 weeks of receiving the preliminary report.</td>
<td>Report including action plan gives status</td>
<td>Yes, certificate at higher level, 12 months validity</td>
</tr>
</tbody>
</table>

The validity of the certificate is always 12 months.

6.1 Follow-up Audit

A follow-up audit is required in a specific situation when the results of the audit (an initial audit or a renewal audit) have been insufficient to allow the award of the certificate. During the follow-up audit, the auditor focuses on the implementation of the actions taken to correct the Major non-conformity determined during the previous audit.

The follow-up audit shall be performed within a six months period from the date of the previous audit.

If the Major non-conformity is related to production failure(s), the follow up audit shall be performed at least 6 weeks after the previous audit and no later than 6 months after the previous audit.

If there is no follow-up audit performed after 6 months from the date of the previous audit, then a complete new audit is necessary. If the company decides not to perform a follow-up audit but to start with a new full audit, the new audit shall be scheduled not earlier than 6 weeks after the audit where the Major non-conformity was issued.

In the event that the follow-up audit establishes that requirements remain inadequate, a complete new audit is necessary, which shall be scheduled not earlier than 6 weeks after the follow-up audit. The elimination of Major non-conformities shall always be established by an onsite visit by the auditor.
SURVEILLANCE AUDITS

Surveillance audits are those which are performed after the initial audit. The period in which a renewal audit shall be performed is shown on the certificate. A renewal audit involves a full and thorough audit of a company resulting in the issue of a new certificate. During the audit, all criteria of the IFS requirements shall be assessed by the auditor. Particular attention is paid to the deviations and non-conformities identified during the previous audit, as well as to the effectiveness and implementation of corrective actions and preventive measures laid down in the company’s corrective action plan.

LINK BETWEEN TWO CONSECUTIVE AUDIT REPORTS (INITIAL AND RE-CERTIFICATION AUDITS)

When the auditor scores a requirement with C or D, corrective actions shall be implemented before the renewal audit. This means the certification body shall read the audit report and the action plan of the previous audit, even if the report was issued by another certification body. If C and/or D scorings remain the same from one audit to the next, or if scorings are getting worse, the auditor shall assess in accordance with the IFS chapter related to “Corrective actions”. This link between two consecutive audits ensures a continuous improvement process.

EXTENSION AUDITS

In specific situations, such as new products and/or processes to be included in the audit scope or each time the audit scope would need to be updated on the certificate, then, for an IFS Broker certified company, it is not necessary to perform a complete new audit, but to organize an on-site extension audit during the validity period of the existing certificate.

EXTRAORDINARY INFORMATION

Extraordinary information to the certification body by the certified company.

The company shall inform its certification body about any change that may affect its ability to conform with the certification requirements (e.g. recall, alert on products, etc.). This information shall be made within 3 working days.

IFS INTEGRITY PROGRAM

The IFS Integrity Program launched in early 2010 includes different measures to assure the quality of the IFS certification scheme, with a focus on the review of audits conducted by the IFS certification bodies and their auditors.

PREVENTIVE QUALITY ASSURANCE ACTIONS

Quality assurance activities monitor the entire IFS system. Surveillance audits at the certification body offices and on-site supplier audits are carried out on a regular basis in order to assess the IFS system. These audits are undertaken regardless of whether or not a complaint has been made. The sampling for these surveillance audits is based on a random selection process and by use of objective criteria. These criteria are both economic criteria (e.g. number of issued certificates) and quality criteria (e.g. the review and analyses of IFS certification processes and corresponding reports).

Surveillance on-site audits at certified companies may be undertaken. In general, surveillance on-site audits are announced 48 hours before the audit date. In these audits the documentation reviewed in the office audit of the certification body, or in the IFS database, is compared with the real situation found at the company.
QUALITY ASSURANCE ACTIONS AFTER COMPLAINT NOTIFICATION

A detailed complaint management process analyzes all necessary information. Retailers or any other interested parties have the right to forward any possible non-conformity to IFS for investigation as part of the Integrity Program.

The IFS Offices collect complaints concerning IFS audits, reports, certificates or other circumstances in which the integrity of the IFS brand is in question. Retailers, certification bodies, employees of IFS-certified companies or any person can use the complaint form on the IFS website www.ifs-certification.com or send an e-mail to complaintmanagement@ifs-certification.com to inform IFS about a certain issue. In addition to any complaints received, IFS also analyses the IFS database using analytical tools in order to identify any deficiencies. If IFS Quality Assurance Management is informed of significant discrepancies between the results of an IFS audit and a subsequent retailer audit, this will be investigated within the complaint management process as described below.

The IFS Offices will gather all necessary information in order to investigate the cause of the complaint and to establish if there are deficiencies by certified companies, accredited certification bodies or IFS-approved auditors in meeting IFS requirements. Appropriate steps are taken to fully investigate a complaint, which may include a request to a certification body to carry out internal investigations and provide a statement on the outcome of their investigations to IFS.

In the event that a complaint cannot be successfully resolved by the investigation undertaken by the certification body, an on-site investigation audit will be undertaken at the certified company(s). In general, investigation audits are announced 48 hours before the audit date, however in special cases unannounced audits are undertaken.

Witness audits can also be performed. In this case, Integrity auditors assess an IFS auditor during an IFS audit.

Audits carried out as part of the Integrity Program are conducted by auditors employed by IFS and completely independent of the auditees and accredited certification bodies.

ADDITIONAL INFORMATION

The current version of the Standard can be downloaded from the IFS Website free of charge in several languages.


Furthermore additional information related to IFS Broker can be obtained there e.g. Fact sheets, comparison between previous and current version and FAQ.