"Certified Once, Accepted Everywhere"
Is the International Accreditation Forum (IAF) part of the solution or part of the problem?

Matthew Wenban-Smith

Dr. Jim Bowyer
Dr. Jeff Howe
Kathryn Fernholz

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Introduction

Previous Dovetail articles[1] have emphasized the importance of international standards, and stressed the fact that differences in standards matter, to producers, customers, and stakeholders. But differences in standards only deliver differences in performance if they are actually implemented. Whether a forest is certified as complying with FSC[2] standards or PEFC[3] standards, decision makers need to have confidence in the reliability of whichever certificates of compliance are being issued if they are going to make purchasing or investment decisions based on them.

This confidence depends on the competence and integrity of the certification body, underwritten by the effectiveness of the system under which it is accredited.

There are many accreditation bodies around the world. It is worth asking whether all accreditation bodies are equally reliable. It is also worth considering the process by which accreditation bodies demonstrate their reliability.

If accreditation bodies can show they are equally reliable, then there is the potential to achieve a system in which a single accreditation provides international recognition for certificates issued. Products or services anywhere in the world could be "certified once, accepted everywhere".

This article considers two models designed to deliver internationally recognized accreditation in the forest sector. One model is followed by FSC the other by PEFC. Neither is perfect. Both could be improved. This article suggests how.

The ISO verification framework

First, some basics. ISO/IEC standards for certification bodies are so well established as to be effectively global. Every certification body should be following an applicable ISO/IEC standard - ISO Guide 65, ISO/IEC 17021 (which has recently replaced ISO Guides 62 and 66) or an equivalent.

ISO has also developed a generally applied standard for accreditation bodies: ISO/IEC 17011[4] (replacing ISO Guide 61).

The basic, internationally recognized model is that certification bodies fulfil the requirements of the ISO guides applicable to certification bodies (ISO Guide 65, etc),

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[1] e.g. International Standards and Trade Barriers, June 2006; Forest Certification and Mutual Recognition, April 2007. For the full list of Dovetail Reports, please visit: http://www.dovetailinc.org/Publications.html

[2] Forest Stewardship Council, http://www.fsc.org

[3] Programme for the Endorsement of Forest Certification schemes, http://www.pefc.org. In the United States, the Sustainable Forestry Initiative (SFI) is recognized as a PEFC endorsed certification scheme. The American Tree Farm System (ATFS) has applied for PEFC endorsement.

[4] For simplicity, this article will refer subsequently only to ISO/IEC Guide 61/17011. Note that this refers to two different, alternative standards. There is no standard "61/17011".

and their performance is audited and monitored by accreditation bodies fulfilling the requirements of the ISO guides applicable to accreditation bodies (ISO/IEC Guide 61/17011).

The premise is that the ISO requirements for certification bodies are sufficient to ensure that certification of compliance with any specified standard will be reliable and credible so long as the ISO requirements are followed. The role of the accreditation bodies is to make sure certification bodies implement the requirements as intended.

Accreditation and certification are about verifying that certificate holders implement standards. In principle it is not the role of the accreditation body or certification body to consider the effectiveness of the standards in meeting their objectives - for example, in achieving sustainable forest management. This is the responsibility of the standardization body.

The ISO-based model works well for most applications. As a basic framework it is widely accepted and supported, and is used by both FSC and PEFC.

Outstanding questions are whether the ISO framework alone, designed to provide guarantees for light bulbs and laboratories, can be applied to forest management certification without additional specifications; and, related to this, how to ensure that the framework is applied effectively and consistently worldwide.

An imperfect system

Although it is widely accepted, independent third party certification remains an imperfect method for verifying compliance with standards. To misquote Sir Winston Churchill, it may be the worst form of verification "except all the others that have been tried."

One challenge is the need to address the conflict of interest that occurs when a certification body is required to fail a client who has paid to be inspected. Another is the inevitable tension between the (desirable) objective for the certification body to cut costs versus the (undesirable) risk that the certification body will cut corners to achieve this objective, and ultimately undermine the reliability of the certification decision.

Accreditation ('certifying the certifiers') is an attempt to address these imperfections without losing the major benefits of the model, including accessibility, flexibility, and the advantages of its decentralized 'client pays' approach. But if certification is imperfect, leaving room for variation in certification body performance, why should the process of 'certifying the certifiers' be any more reliable? Wouldn't one expect the same level of variation between different accreditation bodies as one would expect (in the absence of accreditation) between different certification bodies?

And, if there is reason to doubt that all accreditations are equally reliable, what confidence can one have that a certificate monitored under one accreditation system is as reliable as one monitored under a different accreditation? Without this confidence, how can one achieve the goal of "certified once, accepted everywhere" which a universally recognized system would deliver?

In Government We Trust

The traditional approach to the problem of maintaining the credibility of accreditation is to place one's trust in government. According to this approach, accreditation bodies should be 'national' and gain their authority and credibility from government recognition. In some countries they are official government agencies - in others they are technically private organizations but enjoy an officially sanctioned position as the sole national provider of accreditation services.

The model of state-authorized accreditation can be applied in a hard version or a soft version.

The harder version of the model is applied, for example, in China (and, recently, has been proposed by the European Parliament for introduction within the European Union[5]). In this model, if a certification body wishes to operate in a country it must be accredited by the state approved National Accreditation Body (NAB).

A somewhat softer version of the state model is that governments will allow certification bodies to operate in their country with whatever accreditation they choose, but will only 'recognize' accreditations issued by the National Accreditation Body. This approach is currently implemented, for example, in the case of the accreditation of organic certification bodies in some European countries. The effect of the government providing or not providing such recognition can be powerful, as it may be a national legal requirement to be certified by a certification body with national accreditation in order to import or export a product, or to sell a product in the country with certain claims (for example, to claim that a product is 'organic').

A benefit of the national accreditation model is that the NAB is freed from the pressure to compete with other bodies on cost, meaning that the NAB is not under pressure to cut costs by cutting corners. Under the NAB model all certification bodies also know where they stand - they don't need to spend time weighing the pros and cons of different accreditations. There is no judgment call about choosing a more expensive but possibly more credible accreditation rather than a cheaper (or quicker) but possibly less sound competing service.

The model has several potential flaws, too:

- There is no competitive pressure on the accreditation body to provide an efficient or cost-effective service. Cutting costs doesn't necessarily mean reducing quality. A monopoly provider is free to cross-subsidise other activities from its accreditation charges, to carry inefficiencies, or to extract rent in other ways.

- National accreditation requires a 'one size fits all' approach. The same accreditation body will monitor and accredit the competence of certification bodies carrying out inspections of forests, factories, laboratories and light bulbs. In doing so the accreditation body focuses on the application of generic ISO/IEC guides for certification bodies - the core 'verification' standards. It is less likely to build up

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[5] Proposal for a Regulation Of The European Parliament And Of The Council Setting Out The Requirements For Accreditation And Market Surveillance Relating To The Marketing Of Products
http://www.ec.europa.eu/enterprise/newapproach/review_en.htm

expertise in any particular sector. This may be a particular problem for the evaluation of certification bodies assessing compliance with social/ environmental standards, in which non-traditional auditing techniques such as stakeholder consultation may be important.

- While a close relationship with government is reassuring for some, it is not necessarily reassuring for everyone. In the case of forest management, government has not historically had a neutral role.   In the case of forest certification and accreditation this raises questions of the accreditation body's independence, particularly when the certification bodies may be inspecting state-owned or gov't-managed forest areas.

If the evidence was that national accreditation bodies all interpreted ISO standards in the same way, these concerns might be only theoretical. However, this does not seem to be the case. Certification bodies that have been subject to multiple accreditations have reported variability in the interpretation of ISO standards. Governments and accreditation bodies acknowledge as much, and do not consider all national accreditation bodies as providing an equivalent service.

This variability may not matter significantly for trade within a country, but it does create problems for international trade.   The potential value of an international standard that is consistently applied is that if a company meets the prevailing standard its product (or service) can be recognized as such internationally. If its certificate is not recognized internationally the potential benefits are not fully realized.

Similarly, if a single accreditation were internationally recognized then certification bodies would be able to operate internationally with only one accreditation. In reality, a certification body that operates internationally is currently required to have multiple accreditations from different NABs, each of which is in theory providing the same guarantee that the certification body is competent to implement the requirements of the same ISO standards.

This nationally based system leads to a range of costs.   A nationally accredited certificate may not be officially recognized in the country to which a company wishes to export. If not, there is the requirement either for:
> some form of bi- or multi-lateral recognition arrangement (which begs the case for insisting on national accreditation in the first place);
> multiple certification; or
> a requirement that the certification body has multiple accreditations.

All of these options increase cost and complexity.

The model is clearly inefficient. But what are the alternatives?

Two rather different approaches are currently being implemented, each of which moves towards the "certified once, accepted everywhere" goal of internationally recognized accreditation.

The first model is based on multilateral recognition between national accreditation bodies. The second is based on international accreditation.

PEFC's system relies on national accreditation and multilateral recognition, FSC's on international accreditation. This article argues that each approach is currently incomplete. First, a look at multilateral recognition.

Multilateral recognition between national accreditation bodies

In the 1990s leading national accreditation bodies recognized the problems associated with a lack of consistency of national accreditations, the lack of a system for international recognition and associated costs and inefficiencies. This led them to establish the International Accreditation Forum (IAF).

The IAF is a 501(c)(3) (i.e. not for profit) corporation registered in the state of Delaware, USA. It is a membership organization, whose members are national accreditation bodies. Its primary objective is to provide a system by which organizations with an accredited certificate issued in one part of the world can have that certificate recognized in other parts of the world - i.e. international recognition of certificates.

IAF does *not* encourage international accreditation. What it does, primarily, is support increasing international recognition of *national* accreditations.

IAF's main tool is the operation of a multilateral recognition arrangement (MLA) for accreditation bodies, based on a system of peer review verification of compliance with IAF's interpretation of the requirements of ISO/IEC Guide 61/17011.

On joining IAF its members commit to being peer reviewed on their compliance with ISO/IEC Guide 61/17011 as applied to certification bodies implementing ISO Guides 62, 65 or 66. If the peer review is satisfactory, then the IAF member joins IAF's MLA for the applicable ISO Guide (62, 65 or 66). Members of the MLA are expected to recognize each other's accreditations of compliance with specified standards as being equivalent in all respects.

The IAF MLA provides two major benefits: 1) it provides a system by which different national accreditation bodies can improve the consistency of their own implementation of ISO/IEC guides, and confirm that other national bodies are interpreting the guides in the same (or at least similar) ways, and 2) on this basis, the MLA allows accreditation bodies to accept accreditations carried out by other IAF MLA members without needing to duplicate their work.

The IAF model, as currently established, also has a number of flaws. Firstly, the peer review model can be criticized as being non-transparent to outsiders. Its credibility derives from the participation of NABs, and their presumed interest in establishing an international level playing field. This approach only works in so far as consistent implementation of technical requirements is aligned with the NABs' own collective interests.

The system does not address concerns relating to the national monopolies of member bodies. If anything, participation in the IAF tends to entrench these national monopolies. A (hypothetical) IAF-MLA member based in Europe can recognize

accreditations of other member bodies in the USA, but this does not mean that the US-based body can operate in Europe. That would be a separate decision for the European government concerned. Equally it is a government, not an IAF or IAF-member prerogative to decide whether accreditations issued by other IAF-MLA members will be officially recognized on an equal basis to accreditations issued by the NAB itself. The UK accreditation body UKAS is a full member of the IAF-MLA, and so recognizes other accreditations as being equivalent to its own in all respects. But it is official UK government policy that it is in the national interest to *prevent* competition between national accreditation bodies at the national level or across national borders[6]. This policy would be reinforced by the recent proposal in the European Parliament (referred to above).

In summary, the IAF-MLA provides a model by which governments can recognize the work of other national accreditation bodies - in effect they endorse their own national bodies' competence to recognize other national bodies as also being competent. The more NABs that join the IAF-MLA, and the more governments that give official recognition to participating NABs, the closer the model comes to delivering 'one certificate, accepted everywhere'.

For the model to work though, governments and others have to have complete confidence in the operation of the IAF. Before returning to this issue, we consider an alternative approach to achieving universal recognition of certificates: international accreditation.

International accreditation

The international accreditation model was pioneered by the International Federation of Organic Agriculture Movements (IFOAM) and subsequently followed by the Forest Stewardship Council (FSC), Social Accountability International (SAI) and others. The FSC system illustrates the approach.

The model has three key elements: accreditation is international in scope; it applies to a limited range of core activities (e.g. forest certification, fisheries certification, organic certification); and accreditation and standards are provided by private rather than public bodies.

As a first step, a single accreditation body is established (or contracted) to evaluate and monitor certification bodies operating internationally. Establishing a single international accreditation body addresses the problems of international scope and consistency. Certification bodies need only one accreditation for their certificates to be recognized and accepted, within the system, anywhere in the world. Because there is only one accreditation body the question of different interpretations of the ISO standards for certification bodies as applied by different accreditation bodies does not arise.

Secondly, the model is based on specialising in accreditation in a limited range of sectors: forestry, fisheries, organic agriculture, social auditing, etc. This allows

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[6] e.g Conformity Assessment Policy in the UK, Department of Trade and Industry, January 2007

accreditation bodies to establish core expertise, institutional knowledge and specific guidance or standards to address issues of particular importance to the sector.

In the case of forest certification this has led to the development of specific standards for stakeholder consultation and transparent reporting. FSC argues that these are necessary additions to ISO-based certification and accreditation requirements, when applied to verification of compliance with standards covering issues such as land tenure, community relations and broad environmental impacts. FSC's requirements supplement ISO's core verification standards.

Thirdly, the systems are based around private accreditation bodies and standards, often (but not necessarily) associated with the organization's name or trademark. Private sector initiatives therefore derive their credibility and value only from a private organization's endorsement. These initiatives have to work hard to create value in their endorsement: in FSC's case by working to build support from NGOs with an interest in socially and environmentally responsible forest management.

This is a fundamental difference between the national model and the international model in relation to the source of accreditation's value. National accreditation bodies derive their legitimacy and value primarily from the state's endorsement, backed up by the power of legislation and state enforcement. International private sector bodies must establish their own credibility.

One potential disadvantage of international private sector bodies is that such credibility can be slow to develop, if at all. The system also suffers at least one major problem in common with national accreditation bodies, albeit at the international rather than national level: if certification bodies wish to operate within the FSC system, they have only one place to go for accreditation - FSC's sole accreditation service provider, Accreditation Services International (ASI). ASI therefore controls exclusive access to FSC accreditation, and there is no competition with other accreditation bodies to provide the same service more efficiently, effectively, or cheaply. ASI, like a national accreditation body, has the opportunity to cross-subsidise between accreditation and other services, or between different types of accreditation, should it wish to.

However, it should be emphasised that ASI's "monopoly" is quite different in kind to that enjoyed by National Accreditation Bodies: it is not backed by government, and FSC has no power to prevent non-FSC accredited certificates being recognized or accepted anywhere in the world. ASI enjoys a monopoly only in the sense that it is FSC's sole service provider; a private sector system such as this cannot force anyone to adopt its standards, or comply with its requirements. If its accreditation body is inefficient the whole system will lose customers and ultimately lose out to a competing system that provides a better overall service. In practice there is intense competition, worldwide, to provide a competing service to FSC's endorsement of certificates and its label, as SFI, CSA, PEFC and the alphabet of competing national schemes demonstrate. And the other side of the 'single provider' coin, of course, is that having one accreditation body reduces the risk of inappropriate competition: the same argument that is made at the national level by national accreditation bodies.

The international, sector specific accreditation model solves the problem of potential differences in interpretation of ISO standards by multiple accreditation bodies. It also allows accreditation bodies to develop specialist skills and requirements applicable to the particular sector and to the auditing techniques used in that sector.

What the model lacks, however, is an independent mechanism to demonstrate that its accreditation service, in its sector, is as reliable, credible and legitimate as that provided by NABs. Governments find it easy to recognize the validity of accreditations issued under the control of their own national accreditation body, but challenging to recognize accreditations issued under the control of other bodies.

This lack of governmental recognition for the quality of international accreditation is a problem for private sector systems. However, the technical challenge of addressing this problem is essentially the same that governments face when deciding whether to recognize other national accreditation bodies - and this points to a potential solution.

The story so far

So, there are national accreditation bodies whose authority derives from government, and which provide a generic accreditation service to all certification bodies offering all certification services in a country. The IAF operates a system of peer review, which provides a mechanism by which governments can, if they choose to, recognize the competence of other accreditation bodies.

And there are private sector, single issue international accreditation bodies, that provide an international service (certified once, recognized everywhere), but which currently lack an avenue to seek or achieve governmental recognition of their competence.

The solution appears obvious: international accreditation bodies should seek recognition of their competence through the IAF system of peer review.

The IAF and international accreditation

Unfortunately, this potential solution exposes an underlying problem for the IAF. International accreditation bodies are not officially excluded from IAF membership, but IAF policy makes it extremely difficult for them to join. Although IAF has, in theory, the technical objective of internationally recognized accreditation, in practice it is a club of national accreditation bodies, which have their own national and business interests. Unsurprisingly, IAF policy aligns with those interests.

The technical basis for joining IAF's multilateral recognition arrangement (MLA) is compliance with the requirements of ISO/IEC 17011, which most international accreditation bodies already implement. However, since its inception IAF has introduced a series of additional, non-technical obligations that, in effect, create barriers for participation in the IAF-MLA for international accreditation bodies that accredit on behalf of private labels.

Specifically, IAF policy requires that member bodies cannot provide accreditation services for private sector programs unless those programs allow *all* IAF-MLA members to apply to provide the same accreditation service on an equal basis.

This requirement applies not only to accreditation services that are included within IAF's peer review system and over which IAF therefore exercises some oversight (i.e. application of ISO Guides 62, 65 and 66), but also to all other accreditation services. And this is despite the fact that IAF does not operate MLAs except for accreditation of ISO Guides 62, 65 and 66.

Although international programs such as ASI's (on behalf of FSC) implement all the requirements of ISO Guide 65, ASI does not provide stand-alone accreditation of compliance with these requirements. In order to join IAF, ASI would have to develop and implement a new accreditation program providing this service; and it would need to allow all other NABs the right to accredit certification bodies to implement FSC requirements on an equal basis to ASI, despite there being no MLA in place to oversee this.

Thus, while the official justification for supporting non-competition between national accreditation bodies is that competition is inappropriate at the level of accreditation, it is official policy of the IAF to *require* such competition in the provision of international, single-issue accreditation.

If one accepts the argument that competition at the level of accreditation is inappropriate, IAF policy should be the opposite - it should require that international bodies can *only* join the IAF if they implement programs (e.g. international, private sector programs) that *do not* compete with programs offered by NAB members.

But, in principle, the policy is unnecessary in any case - certification bodies compete with each other, and it is argued that accreditation is sufficient to ensure that quality is maintained. The basis of IAF's MLA is that peer review is sufficient to ensure consistency between accreditation bodies. If the possibility of accreditation bodies offering competing services is sufficient to undermine the validity of IAF's peer review, this calls into question the robustness of the peer review process.

IAF's policy only makes sense if the intent is to exclude international private sector accreditation bodies from its recognition agreement. Whether intentional or not, that is the effect.

IAF: can it change?

ISO/IEC 17011 provides a globally recognized standard for accreditation. There is little or no argument that this is the minimum standard that accreditation bodies should meet if they want to achieve international recognition.

What is missing is an internationally credible system, recognized by governments and accessible to the private sector, for identifying accreditation bodies that comply with the requirements of ISO/IEC 17011, irrespective of whether they operate nationally or internationally, and irrespective of other non-technical considerations.

The IAF system of peer review is a technical model which could fill this gap. In order to do so, however, it would need to demonstrate that its decisions are both technically (rather than politically) based and legitimate. Policies and procedures to achieve this are well established: ISO/IEC standards are based on them. Applied to the IAF they would include, for example, that:

- IAF policies and procedures should be non-discriminatory and be administered in a non-discriminatory manner;

- IAF should make its services accessible to all applicants whose activities fall within its declared field of operations - i.e. accreditation in compliance with the requirements of ISO/IEC 17011;

- The criteria against which applicants are evaluated should be those outlined in specified standards;

- IAF should confine its requirements, evaluation and decision to those matters specifically related to the scope of the issue being considered;

- and, IAF's peer review process and associated decision making should be designed to give confidence that its results are independent of the business interests of its national member bodies.

Conclusion

Certification and accreditation together provide a robust model for verifying compliance with international standards. The principles on which they are based have been developed over years, with a view to providing a credible, reliable certification service, applicable worldwide. The requirements are not perfect but, by and large, they work.

However, there is as yet no legitimate system for identifying accreditation bodies which are competent to implement the requirements of ISO/IEC 17011 worldwide. Nor, as yet, is there general agreement on the requirements or guidance that are needed to supplement ISO/IEC Guide 61/17011 and/or ISO Guide 65 or ISO/IEC 17021 in the implementation of social and environmental verification[7].

FSC has followed the approach of establishing a single international accreditation body, and its own requirements to supplement ISO/IEC 17011 and ISO Guide 65 for implementation. PEFC relies on the network of national accreditation bodies, linked internationally through the IAF multilateral recognition arrangement, without additional guidance applicable to the forest sector. Neither system is perfect.

The IAF peer review system could be the basis of a model to bridge the gap. But in order to do so IAF needs to take on board the fundamental principles of independent verification, and build them in to the application of its own activities. If it does not, it cannot achieve its own objective: *'IAF - certified once, accepted everywhere'*.

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[7] ISEAL has developed such an interpretation in consultation with its accreditation body members that could be the basis for this. Pers Comm. P.Mallett.

DOVETAIL PARTNERS, INC.
528 Hennepin Ave, Suite 202
Minneapolis, MN 55403
Phone: 612-333-0430
Fax: 612-339-0432
www.dovetailinc.org