



IMPORTANT

19.3.2020

Dear all,

IFS is continuously monitoring the situation regarding the spread of the Coronavirus disease (COVID-19) and discussing it in our IFS Board, International Technical Committee and National Working Groups, in which all stakeholders (retail, suppliers and certification bodies) are represented. **In this notification we want to inform you about the policy and the measures we have agreed upon with regard to the Coronavirus disease (COVID-19).**

This is a summary of the most important issues that will be explained in more detail in the text below:

1. Due to precautionary measures of local governments it may happen that audits cannot take place. In this case existing IFS certificates remain valid until the end of their term and will then lose their regular validity.
2. IFS appeals to both, retailers and their suppliers, to get in touch with each other and find bilateral solutions so that supplier contracts can be maintained.
3. IFS prefers an individual assessment of the situation and has chosen not to give a general extension of certificate validity of up to six months
4. IFS gives no penalty to companies unlike other standards who are not able to renew IFS Certificates in due time due to Coronavirus disease (COVID-19)
5. IFS will make it visible in the database when IFS Certificates could not be renewed due to Coronavirus disease (COVID-19)
6. Steps you can take, when your company is affected.

1. Validity of IFS Certificates

Due to the global spreading of the Coronavirus disease (COVID-19), regular IFS certification audits cannot be conducted in several regions, due to the precautionary measures of national and local governments in the affected areas. This means that suppliers in these areas may not be able to renew their IFS certificate in time. According to the ISO/IEC 17065:2012 norm that the IFS Standards are based on, an on-site audit by an auditor is obligatory to be able to obtain an IFS Certificate. Remote audits are not an alternative, as they are only suitable for document inspection and are not allowed for a reliable auditing of the production site itself.

As a consequence, existing IFS certificates remain valid until the end of their term and will then lose their regular validity. We have informed all stakeholders about this and will follow this principle in all affected countries. **Certification bodies are required to assess the situation and the risks case by case and decide whether an IFS certification on-site audit is possible or not.**

2. IFS appeals to the retailers not to terminate supply contracts because of expiring IFS certificates due to the Coronavirus disease (COVID-19).

IFS has received concerns from industry about whether supply contracts will be terminated by retailers if a valid IFS certificate can no longer be presented. The attached statement from Italian industry associations is an example of this:

"The writing Associations would also like to point out that the non-renewal of the IFS certification due to the Coronavirus disease (COVID-19) generates extremely negative repercussions at production level and on trade agreements with customers, which will stop the supplies of fresh produces generating serious economic losses for producers and affecting customer-supplier relationships both in the immediate and medium term."

To address these concerns, we have been in contact with most of the retailers in our committees and working groups. They unanimously indicated that they are monitoring the developments and have no intention of terminating existing contracts because of this exceptional situation.

We are aware, that IFS certification is often a condition in supplier contracts. To avoid negative consequences for those suppliers who are affected by this exceptional situation, we would like to appeal to both retailers and their suppliers to get in touch with each other and find bilateral solutions so that contracts can be maintained.

We advise retailers to individually assess each case in which an IFS certificate cannot be renewed because of the Coronavirus disease (COVID-19). Suppliers are advised to provide their customers with the necessary information regarding their particular situation and the governmental measures regarding COVID-19 in their regions.

3. IFS prefers an individual assessment over a general extension of the

validity of IFS certificates

The main goal of IFS is to check whether a manufacturer is able to produce a safe product in compliance with customer specifications. That is the reason why IFS runs under the umbrella of the ISO/IEC 17065:2012 norm and why assessing the production facilities is an essential part of the audit. There is currently no way that an on-site evaluation can be replaced by a remote audit. Google glass may be an option in the future. A general extension of IFS certificates for up to six months without re-examination will only put all parties involved in a pseudo sense of security.

We are convinced that dealing with each individual case is the better approach, because it allows for a better examination and understanding of the actual safety situation of the auditee involved. Everyone understands and recognises that an audit cannot be performed due to red zones and travel restrictions. **It is precisely in this particular situation that direct contact between industry and retailers should be essential. Customer and supplier should discuss the situation and find the solution that best fits their respective needs. This is not a task IFS can cover.**

We know that other standards have taken a different approach. **We think that it is a wrong signal to the market to generally extend the duration of the certificates without any extra checks. It does not help the credibility of third party certification.** We also expect that this general extension rule will cause capacity problems at certification bodies as soon as the extension period ends. This may even lead to a need for further extensions and/or exceptions.

In those facilities that are producing and not affected by governmental precautionary measures, audits must still be possible. Of course production facilities should implement restrictions on visitors, when they are in or close to areas where people have the Coronavirus disease (COVID-19).

4. IFS gives no penalty to companies unlike other standards who are not able to renew IFS Certificates due to Coronavirus disease (COVID-19)

Unlike other standards, IFS generally does not impose a penalty, if an IFS certificate is not renewed within the 12-month cycle through a re-audit. This applies not only to the current coronavirus epidemic but also generally. Each year it is the individual decision of the audited company, if they order a new IFS certification audit and renew their certificate, or not.

In contrast, non-compliance with the cycle in FSSC 22000 management systems (ISO 17021) means that instead of a shortened monitoring audit, the auditee must immediately do a full audit again. With the BRC (ISO 17065), a company gets a major if it doesn't keep the cycle, which often leads to a gradation in the degree of the overall result.

5. IFS Database extension to make visible not renewable IFS Certificates due to Coronavirus disease (COVID-19)

IFS has taken the first measures to make the cancelation of audits and the expiry of IFS certificates due to Coronavirus disease (COVID-19) visible in the IFS Database.

We are currently programming an extension of the IFS Database that allows certification bodies to make a note for every certified facility where the regular IFS audit could not take place due to the Coronavirus disease (COVID-19). The certification bodies will also have the possibility to submit a comment. In addition, expired IFS certificates will remain visible over the next 12 months.

This way, users of the IFS database can see at a glance that an audit could not take place due to the Coronavirus disease (COVID-19). This creates more transparency and helps both, suppliers and retailers, to better assess the particular situation together. This feature will be available no later than March 18th.

In addition, we will also develop a notification so that every user of the favourite folder "my audit" will automatically get an e-mail when a certification body has written such a note or comment in the IFS Database about one of their favourites. The notification service will be available by the end of March 2020.

6. What should you do when your company is affected?

When your company is affected by precautionary measures taken by governments to prevent the spreading of the Coronavirus disease (COVID-19) and as a consequence your IFS audit needs to be postponed we would like to advise you to take these measures:

- Inform your customers of the situation. Discuss the consequences and find solutions so that contracts can be maintained.
- Inform your certification body, so that the certification body can reschedule the audit and upload the necessary information into the IFS Database by putting in a note and/or comment.
- Collect and document the information you have received from the public authorities.
- Document the actions you are taking to ensure that you are complying with IFS Standard requirements (as always).

What should CB's do?

- Certification bodies are asked to assess the situation of the auditee on an individual basis by checking documentation and information from the authorities.
- Together with their customer the CB should discuss the situation and the options. If the audit can take place, it should take place. If the audit cannot take place due to Corona, please use the new IFS database function and enter

your comments. These audits need to be rescheduled, as soon as it possible. CBs are required to upload the notes and comments about the situation of the respective production site to the IFS Database as soon as the relevant feature is available.

We hope that we have informed you sufficiently about our policy and the measures we are taking. We will of course continue to inform you about the situation and relevant decisions of our committees.

Translations of this newsletter will follow in other languages soon.

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