April 2023

Subject: IAOB sponsorship of initial certification of small suppliers

Dear IAOB Certification Bodies,

IAOB is announcing a sponsorship program where IAOB will sponsor a limited number of small suppliers to become certified to IATF 16949. IAOB will pay for the audit days of the stage 1 readiness review and the stage 2 initial audit for small suppliers who meet the below criteria. Suppliers will still be responsible for implementing and maintaining their own IATF 16949 quality management systems and other costs of the initial audits, including auditor travel expenses and CB certification administrative fees. Suppliers are also responsible for ongoing auditing cost after initial certification.

The criteria for eligibility for this sponsorship program are:
- 75 employees or fewer at the supplier involved in executing the automotive QMS
- Gross revenue for the site < $30 million
- IAOB-contracted CB conducting stage 1 and stage 2 initial audit.
- Member of AIAG (could be free membership for small companies).
- AIAG Core Tools Assessment completed by key personnel.
- Recommend use and implementation of Core Tools Software.
- Signed contract with IAOB IATF-recognized CB and stage 1 date confirmed.
- Not currently certified to IATF 16949 and not previously certified to IATF 16949 in the last 3 years.
- Supplier located in North America (initial pilot test region).

Perhaps you already have some new clients with scheduled Stage 1 dates who meet the eligibility criteria for this sponsorship program, or you have some prospective clients who could benefit from such sponsorship.

Your current new or prospective clients can apply for approval for this sponsorship program through the IAOB web page https://iaob.org/.

The process steps are:
- Client applies to confirm eligibility and be approved for the sponsorship program through https://iaob.org/ by submitting the required form and evidence.
- Application is reviewed within the IAOB and accepted, returned for additional information, or denied per the eligibility criteria. (Applications are reviewed each month).
- Supplier implements their QMS meeting the requirements of IATF 16949.
- IAOB-contracted CB completes Stage 1.
- IAOB-contracted CB submits reimbursement form to IAOB for Stage 1 invoiced audit days to IAOB with the required evidence through: https://iaob.org/small_supplier_certification_reimbursement.
• IAOB pays CB for the invoiced audit days for Stage 1.
• Supplier implements required corrections or improvements to its QMS based on feedback from the Stage 1 readiness review.
• IAOB-contracted CB completes Stage 2 (and potentially also a special audit to close out any nonconformities).
• IAOB-contracted CB submits reimbursement form to IAOB for Stage 2 invoiced audit days to IAOB with the required evidence through: https://iaob.org/small_supplier_certification_reimbursement.
• IAOB pays CB for the invoiced audit days for Stage 2.
• Client is responsible for all subsequent audit and related costs to maintain certification.

Notes:
• The client is responsible for auditor travel expenses, certificate fees, or other administrative costs associated with the initial audit.
• Stage 1 and Stage 2 can be conducted in separate years, if so, separate reimbursement submissions are required, or can be on a single form if conducted within the same year.
• A Stage 2 audit that has a failed result is not eligible for audit days cost reimbursement.
• If the client was certified to IATF 16949 by an IATF-contracted CB more than 3 years prior to the client form submission to IAOB, evidence is required to show the date of the withdrawal, cancellation or expiration of the IATF certificate.

If you have any questions, please contact Russ Hopkins (rhopkins@iaob.org).

Sincerely,

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