



Supplier Code Automotive Components - Buyer requirements in practice

This is an example of a supplier codes as used by EU importers of automotive components. It will give you an idea how buyer requirements are addressed. Note that this is a stripped down version, only covering the legal and quality product requirements. Other issues, such as technical specifications, CSR or delivery terms are often covered by separate documents. Refer to the [CBI's market intelligence platform](#) for more detailed information on EU buyer requirements and useful considerations for actions.

Introduction

This manual has been created to assist our suppliers in understanding the purchasing expectations and quality requirements for products supplied to the AUTOMOTIVE-X Group. The manual is also a tool to assist AUTOMOTIVE-X in complying with the ISO/TS 16949 and to develop our suppliers. In order for AUTOMOTIVE-X to maintain compliance to the ISO/TS 16949 requirements, suppliers to AUTOMOTIVE-X must achieve certification by an accredited certification body to a current version of the ISO 9001 Quality Management System (at minimum), or be able to demonstrate assessment and approval by an OEM or by a system audit made by AUTOMOTIVE-X following the customer specific requirements to use suppliers without Quality Management system certification. When circumstances dictate the requirements of this manual may be modified to comply with the requirements for the supply of aviation products. Additionally suppliers of architectural parts and products may be excused from the ISO 9001 accreditation requirement. Through implementation and adherence to the standards stated herein, AUTOMOTIVE-X looks forward to a long and mutually beneficial relationship with our suppliers.

Application The expectations and requirements described in this manual apply to all suppliers of serial production products. Suppliers must meet all applicable requirements specified herein.

Implementation

Suppliers are responsible for the development, documentation, implementation, and maintenance of a quality system that complies with ISO 9001. Suppliers are encouraged to become certified to the quality management system standard ISO/TS 16949, and the environmental management system ISO 14001.

Consistent Quality

Zero-defect products are required from suppliers to AUTOMOTIVE-X. Any deviation from this will result in rejection and return of the product to the supplier with subsequent charges attached. Payment by AUTOMOTIVE-X shall not constitute acceptance. Even after acceptance of a shipment, AUTOMOTIVE-X reserves the right to return any material that proves to be defective for full credit. Defective material shall be returned at the supplier's

Consistent quality is of utmost importance for automotive component. In this case the importer itself is ISO/TS 16949 certified, and it requires its suppliers to become certified as well.

In order to meet the EU's legislative quality standards (type-approval), you have to ensure that your production process meets quality management criteria. ISO TS/16949 and ISO 9001 are accepted as a basis and often demanded by EU buyers and producers.

expense and account debited accordingly. Additional charges for sorting, administrative fees and other related costs (extra transport, end customer charges, etc) will also be added.

Rights of Verification of Products/Processes

AUTOMOTIVE-X reserves the right to verify the products on the supplier's premises by their representatives and our customer and/or their representative. This can be done by different kinds of audits and the supplier will be notified in a timely fashion.

Quality Requirements

Quality Management System

Our suppliers are required to be certified to the ISO 9001 Quality Management System by an accredited 3rd party registration body. Suppliers are however encouraged to register to the ISO/TS16949 Automotive Quality Management System (or be able to demonstrate assessment and approval by an OEM or by a system audit made by AUTOMOTIVE-X following the customer specific requirements to use suppliers without Quality Management system certification). Supplier Quality System shall be formally documented, implemented and maintained to ensure that supplier's products conform to the identified purchase specifications, engineering or material specifications and/or contract requirements. The system should be defined and documented in the supplier's own Quality Manual. This manual should be made available to AUTOMOTIVE-X for review upon request.

Product Quality

Suppliers are fully responsible for the quality of their products including their sub-suppliers. Both are responsible for providing products that meet all AUTOMOTIVE-X requirements, specifications, and drawings as identified on the purchase order and that the products are free from defects as warranted in AUTOMOTIVE-X General Purchasing Conditions. Zero-defect products are expected from all suppliers.

Quality Planning (QAP/APQP)

All suppliers are required to complete a QAP/APQP on all projects (new or changed parts) according to the provided time schedule, and report on the activity as requested. Any change in the time schedule needs to be approved by AUTOMOTIVE-X. This process will be followed up by the responsible Supplier Quality Development Engineer.

Production Part Approval Process (PPAP)

The PPAP with all requested documentation and samples according to the QAP/APQP process shall be available or submitted on the agreed date. This documentation shall show that all requirements specified in our drawings and specifications are fulfilled.

The supplier can apply for an Interim approval if the part or documentation cannot conform to all specified requirements. The supplier must apply for this as soon as they see that they cannot present a complete PPAP on the agreed date. The Interim approval shall specify what requirement the supplier cannot fulfil and an action plan showing how and when the part (e.g.:100% sorting before shipping) or documentation will be according to specification. An interim approval is always restricted for a limited number of parts or time period.

AUTOMOTIVE-X reserves the right to inspect these samples for conformance and will return a signed Warrant indicating whether it is approved to produce parts for serial production purposes. This report will be submitted to the Supplier. Shipping of serial production material is only allowed with an approved PSW (Part submission Warrant) by AUTOMOTIVE-X.

Continuous Improvements and Statistical Process Control (SPC)

Continuous improvements in the quality of products and/or processes are important to be a preferred supplier to AUTOMOTIVE-X. The supplier should maintain documented evidence of continuous improvement for review upon request by AUTOMOTIVE-X's representative. One portion of any continuous improvement program should be the proper use of statistical methodologies. Statistical data shall be provided as required by the AUTOMOTIVE-X representative, as identified by the respective engineering drawing, applicable specifications or standards, and/or the purchase order.

Process Records

Process records shall be maintained and be available for AUTOMOTIVE-X upon request. All records shall be retained for a time period of minimum 3 years after production end or for an agreed period of time.

As a minimum, during the production, the supplier shall maintain:

Production Part Approval Process (PPAP) is used in the automotive supply chain for establishing confidence in component suppliers and their production processes, by means of demonstrating that all customer requirements are properly understood by the supplier and that the process has the potential to produce product consistently meeting these requirements during an actual production run at the quoted production rate.

Although individual manufacturers have their own particular requirements, the Automotive Industry Action Group (AIAG) has developed a common PPAP standard as part of the advanced product quality planning (APQP), and encouraging the use of common terminology and standard forms to document project status.

The PPAP process is designed to demonstrate that the component supplier has developed their design and production process to meet the client's requirements, minimising the risk of failure by effective use of APQP. Requests for part approval must therefore be supported in official PPAP format and with documented results when needed.

- Process change record
- Ongoing quality control records
- Production record

Supplier Request for Change Approval

No change on the product, process (including production location) or sub-supplier is allowed without written AUTOMOTIVE-X approval. The supplier must send a notification specifying the change to AUTOMOTIVE-X. AUTOMOTIVE-X will then investigate the possibility to implement the change and will inform the supplier when a decision has been taken. A PPAP re-validation of the part and process will be requested if the change is accepted. The notification and request has to comply with the latest edition of AIAG PPAP manual as agreed upon.

Packaging and Shipping Requirements

The supplier shall package, label and ship products according to the agreed packaging instruction and shipping agreement.

IMDS report (International Material Data System)

All components, semi-components and materials delivered to AUTOMOTIVE-X which will finally be mounted in personal cars weighting less than 3500 kg must be entered into the IMDS system. This will be requested in the QAP/APQP process. The IMDS report must be accepted before the PPAP can be approved. EU directive 2000/53/CE dated 27th June 2002.

REACH Report

When required during the QAP/APQP process suppliers shall comply with the following REACH requirement EC 1907/2006. One of the requirements of REACH is that manufacturers and importers have a duty to register, for each legal entity, substances on their own, or in preparations that they produce or import in quantities over 1 ton per year (per manufacturer/importer), unless the substance is exempt from registration. Registration requirements also apply to substance(s) intentionally released from articles under certain conditions, in which case the article producer/importer is responsible for the registration.

Material Safety Data Sheet

A material safety data sheet in accordance with EU guidelines must be sent and approved by the receiving plant before delivery, of any chemicals used in production processes is allowed.

Product Traceability

All Suppliers to AUTOMOTIVE-X must have an identification system that distinguishes one lot/batch/part from another when shipping finished product. Each lot/batch/part of material should be clearly identified on the product (where applicable) according to the part drawing or as agreed if not specified on the drawing, and on the product packaging. The traceability system must comply with the FIFO (First In - First Out) principles for incoming and outgoing material

Many buyers use the International Material Data System (IMDS). This is a collective, computer-based data system developed by automotive OEMs to manage environmentally relevant aspects of the different parts used in vehicles. It has been adopted as the global standard for reporting on material content in the automotive industry.

REACH stands for Registration, Evaluation, Authorisation and restriction of Chemicals. This regulation sets rules for the placing on the market of chemical substances and, more relevant to producers of automotive components, it also restricts the use of certain dangerous chemicals (so called Substances of Very High Concern -SVHC) and specific uses of certain chemicals e.g. certain flame retardants or polycyclic-aromatic hydrocarbons(PAH) in tyres.

Check [this document](#) to determine in which way you are affected by REACH.

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