1. PURPOSE

This guideline has been prepared to explain to the Conformity Assessment Bodies (CABs) accredited by NAC or applying for accreditation how financial sustainability affects accreditation eligibility; how the risk-analysis obligation is to be fulfilled in the event of a suspension for financial reasons; and the absolute prohibitions on the use of the accreditation mark in cases of suspension, withdrawal, scope reduction, or cancellation.

The core message of this guideline is that financial sustainability is not merely a business matter; it is a direct accreditation concern with respect to impartiality, reliability, and the maintenance of accreditation status.

2. SCOPE

This guideline consists of two main parts. Part One addresses financial sustainability within a three-tier framework. Part Two sets out the risk-analysis obligation of a CAB suspended for financial reasons. Part Two also contains the absolute prohibitions on the use of the accreditation mark in cases of suspension and withdrawal.

3. DEFINITIONS

For the definitions and abbreviations used in this guideline, INST.001-NAC, the Instruction on Definitions and Abbreviations Used in NAC Documentation, shall apply.

4. RELATED DOCUMENTS

The interpretations and explanations in this guideline are based on the following documents and standards:

- **ISO/IEC 17011:2017** — Requirements for accreditation bodies that accredit conformity assessment bodies.
- **CAB-level standards** — ISO/IEC 17025, ISO/IEC 17020, ISO/IEC 17021-1, ISO/IEC 17065, ISO/IEC 17024, ISO/IEC 17029, ISO 15189, ISO/IEC 17043, ISO 17034.
- **ILAC/IAF documents** — ILAC-P8:11/2023 (use of accreditation symbols and claims of status), ILAC-P15:05/2020 (application of ISO/IEC 17020), ILAC-G26:11/2018 (application of ISO 15189).
- **NAC documents** — FR.001-NAC Accreditation Agreement, PR.017-NAC Procedure for the Accreditation of Conformity Assessment Bodies, and guidelines GL.001-NAC and GL.002-NAC.

5. IMPLEMENTATION

5.1 For CABs, the assumption that "my financial situation is of no concern to accreditation" is mistaken. The matter is at least as assessable an area as impartiality or competence.

The effect of financial inadequacy on accreditation unfolds in three stages;

1 — Impartiality: Financial pressure carries the risk of compromising the objectivity of decisions.
2 — The financing clause of the standard: The certification-family standards explicitly require financial stability.
3 — NAC contractual and procedural obligations: FR.001-NAC and PR.017-NAC turn financial inadequacy into a codified ground for suspension/withdrawal.

The third item is critical: within the NAC framework, a financial problem is not a risk indicator requiring interpretation, but a nonconformity that is named in the procedure and produces concrete consequences.

5.1.1 Impartiality
The effect of financial independence on impartiality is seen, for ISO/IEC 17020, through ILAC-P15:05/2020 (Cl. 4.1.2 — commercial/financial pressures must not jeopardize impartiality; Cl. 6.1.12 n1); for ISO 15189, through ILAC-G26:11/2018 (management/personnel being free from financial pressure); and for ISO/IEC 17025, through Cl. 4.1 (Impartiality). Similar clauses also exist in the ISO/IEC 17021-1, ISO/IEC 17065, and ISO 20387 standards.

PR.017-NAC Cl. 5.8.2.1 (b) — if it is established with objective evidence that the CAB's structure or activities violate the impartiality requirements of the relevant accreditation standard, the accreditation is partially/fully suspended.

A CAB's tendency to soften a decision because of financial dependence on a single client or payment difficulty directly gives rise to an impartiality nonconformity.

5.1.2 The Financing Clause of the Standard
The following table summarizes the nature of financial inadequacy according to the standard to which the CAB is subject:

Standard	Impartiality clause	Explicit financing / liability clause
ISO/IEC 17025	Cl. 4.1	Similar to 17011
ISO/IEC 17020	Cl. 4.1.2 — “financial pressure” explicitly mentioned	Annex A independence types
ISO/IEC 17021-1	Cl. 5.2	Cl. 5.3 Responsibility and Financing
ISO/IEC 17065	Cl. 4.2	Cl. 4.3, financial stability explicitly required
ISO/IEC 17024	Cl. 4.3	Financing and resources clause
ISO/IEC 17029	Cl. 5.2	Cl. 5.3 Responsibility and Financing
ISO 15189	Cl. 4.1	Strong emphasis on financial pressure
ISO/IEC 17043 / 17034	Cl. 4.1	Generally present (common CASCO structure)
ISO 20387	Cl. 4.2	Cl. 6.1.2

PR.017-NAC Cl. 5.9 and the GL.002-NAC guideline establish that the CAB shall obtain adequate professional liability insurance covering the activities for which it is accredited, and that all legal, financial, and technical responsibility toward third parties rests with the CAB.

5.1.3 Non-Payment of the Accreditation Fee

This is one of the most concrete and most critical provisions of this guideline.

Under FR.001-NAC Cl. 6.4, the CAB is obligated to pay NAC's fees; even if it is found technically competent, no certificate is issued, renewed, or kept in force until all relevant fees have been paid. Accordingly, PR.017-NAC Cl. 5.6 makes the certificate's remaining in force conditional upon payment of the annual accreditation fee; and Cl. 5.8.2.1 (i) counts the CAB's failure to meet its financial obligations as a direct ground for suspension.

5.1.4 Notification of Changes in Resources and Structure

Under FR.001-NAC Cl. 4.1.10 and 4.1.12, the CAB is obligated to notify NAC in writing of changes affecting its legal status, address, ownership structure, and management, as well as its accreditation scope (including personnel, equipment, and systems). PR.017-NAC Cl. 5.9 makes this notification mandatory; and Cl. 5.8.2.1 (c) and (d) count the failure to notify NAC of changes in resources and structure as a direct ground for suspension.
For the CAB, this means the following: financial deterioration often first becomes visible in the form of a loss of resources (such as the departure of personnel, the inability to maintain equipment, or the downsizing of a location). The CAB must not conceal such developments but must report them proactively; for a failure to notify constitutes, in itself, a ground for suspension independent of the financial problem itself.

5.1.5 Financial Criminal History and Management Integrity

Under FR.001-NAC Cl. 8.4, persons convicted of offenses such as embezzlement, extortion, bribery, theft, fraud, forgery, abuse of office, fraudulent bankruptcy, and smuggling may not be partners in a CAB applying for accreditation and may not serve as managers in conformity assessment activities.
For the CAB, this means that the link between financial sustainability and management integrity is verified at the organizational level; indeed, the explicit listing of the offense of “fraudulent bankruptcy” in this list shows that serious financial mismanagement may not only be a risk factor but may also directly create a personal eligibility bar.

5.1.6 Distinction Between Payment Disruption and Technical Inadequacy

Under PR.017-NAC Cl. 5.8.5.2, if the ground for suspension is solely the failure to meet a financial obligation and the CAB subsequently meets that obligation, no additional assessment (on-site assessment) is required in order to lift the suspension. This provision shows that NAC treats a pure payment disruption as an administrative/contractual matter.

By contrast, if financial inadequacy turns into a loss of impartiality (5.8.2.1-b), resources/competence (5.8.2.1-c), or performance (5.8.2.1-a), the situation then takes on the character of a technical inadequacy, and an assessment is required to remedy it.

For the CAB, the consequence is clear: resolving the financial problem at an early stage and solely at the payment level keeps the lifting of the suspension limited to an administrative action; whereas allowing the problem to deepen and affect resources and impartiality turns the lifting of the suspension into a far more onerous process requiring an assessment.

5.1.7 NAC's Risk-Based Approach

ISO/IEC 17011 Cl. 4.4.6 NOTE 1 explicitly lists “finance” and “contracts” among the sources of risk to impartiality; Cl. 7.4.6 makes risk-based assessment mandatory. Correspondingly, under PR.017-

NAC Cl. 5.3.1 and 5.7.1 the assessment plan and surveillance activities are carried out on a risk basis; NAC evaluates changes in the CAB's resources and structure as a potential risk (Cl. 5.8.2.1-c).

For the CAB, this means that financial indicators may come into play at every stage, including unannounced assessment (FR.001-NAC Cl. 4.1.20, 4.1.31).

5.1.8 Financial Soundness

For a CAB, being a small firm or having low turnover is not in itself an obstacle. What is an obstacle is uncontrolled financial dependence, financial instability, and unpaid obligations.

5.1.9 What the CAB Must Do

- Pay NAC's invoices and fees on the invoice date (PR.017-NAC Cl. 5.6, 5.8.2.1-i; FR.001-NAC Cl. 6.4).
- Keep valid professional liability insurance continuously up to date (PR.017-NAC Cl. 5.9; GL.002-NAC).
- Demonstrate financial stability with records and documentation, as required by the financing/liability clause of the applicable standard.
- Notify NAC within 15 days of changes in resources, personnel, equipment, location, ownership, and management (FR.001-NAC Cl. 4.1.10, 4.1.12; PR.017-NAC Cl. 5.8.2.1-d, 5.9).
- Identify and manage sources of financial pressure (such as dependence on a single client) in the impartiality risk analysis.

5.2 Responsibilities of a CAB Suspended for Financial Reasons

This part covers CABs whose accreditation has been suspended by NAC due to a failure to meet a financial obligation. The actions required to lift the suspension are set out in 5.2.1–5.2.6; the prohibitions on mark/reference use during the suspension period are set out in 5.2.7.

5.2.1 Conduct of a Risk Analysis by the Suspended CAB

Suspension is the consequence of the failure to fulfill the procedural clause (PR.017-NAC Cl. 5.8.2.1-i). The CAB must conduct a financial risk analysis regarding the reason for its failure to fulfill this clause and submit its evidence to NAC.

Because the nonconformity here arises from the failure to meet a financial obligation stemming from the FR.001-NAC accreditation agreement, the content of the risk analysis must be grounded on a financial/contractual and structural-financial basis.

The risk analysis consists of four elements, and unless all four are met, the request to lift the suspension is not deemed to be supported by sufficient evidence:

- **Definition of the situation —** The CAB clearly sets out under what conditions and for what period the financial obligation could not be met.
- **Root-cause and risk-source analysis —** justifies, with concrete data, whether the problem is a temporary cash-flow disruption or a structural financial weakness
- **Correction —** payment/settlement of the debt. This is only an immediate fix.
- **Sustainability measures —** systematic measures aimed at preventing a recurrence of the same situation, such as financial planning, liquidity monitoring, and early-warning mechanisms.

Submitting only a payment receipt does not eliminate the accreditation body's suspicion that “the same situation will recur.” A risk analysis that does not include a root-cause analysis and sustainability measures may be found inadequate and not accepted. In that case, the nonconformity remains open and the suspension process continues.

5.2.2 The Lifting of the Suspension Is Subject to a Decision

- All status changes — suspension, lifting, withdrawal — are made by the Accreditation Decision Committee (ADC)/Vice President (PR.017-NAC Cl. 5.5, 5.8.3).
- Payment and submission of the risk analysis must be completed within the maximum suspension period of 6 months (PR.017-NAC Cl. 5.8.2.1, final paragraph). If this period is exceeded, the accreditation is withdrawn (FR.001-NAC Cl. 6.4; PR.017-NAC Cl. 5.8.2.2-a), and re-accreditation is processed from scratch as an initial accreditation application.
- Under PR.017-NAC Cl. 5.6, the validity of the certificate depends on the simultaneous maintenance of full compliance with the relevant ISO/IEC standard, the NAC rules, and the ILAC/IAF/APAC/IAAC policies.
- If the accreditation mark is used or the accredited status is referenced during the suspension/withdrawal period, legal action is initiated under FR.001-NAC Cl. 4.1.35.

5.2.3 How the Suspension-Lifting Process Works

For a CAB suspended for financial reasons, lifting the suspension is a process, not something that happens automatically:

- The CAB pays its debt within the maximum suspension period and submits objective evidence of this (immediate intervention).
- The CAB submits the financial risk analysis (including root cause + sustainability measures) to NAC as a written report.
- The Accreditation Officer completes the file and submits it to the VP.
- The VP assesses that the payment and the risk analysis are sufficient and decides to lift the suspension.
- The decision is notified to the CAB in writing and the status is updated on the NAC website.

5.2.4 Separating the Two Scenarios: Pure Delay or Structural Weakness?

- **Scenario A — Pure/temporary disruption:** A one-time cash-flow delay. The risk analysis is closed with payment and a simple monitoring mechanism; the PR.017-NAC Cl. 5.8.5.2 exemption may be applied in this scenario.
- **Scenario B — Systematic financial weakness:** If the CAB cannot even sustainably cover the annual accreditation fee (for example, a second suspension for financial reasons within the last 24 months, or a notification of resource loss coinciding with the suspension), the problem is no longer administrative. The accreditation body additionally evaluates the effect of financial sustainability on impartiality and competence; the PR.017-NAC Cl. 5.8.5.2 exemption ceases to apply.

In the root-cause and risk analysis, the CAB must honestly set out the Scenario A/B distinction; concealing or downplaying it leads to a loss of trust at the accreditation body and a prolongation of the process.

5.2.5 The ILAC Link: Economic Pressure Is a Source of "Undue Pressure"

For ISO/IEC 17020, ILAC-P15 requires that commercial/financial pressures not jeopardize impartiality; for ISO 15189, ILAC-G26 requires that management and personnel be free from any commercial or financial pressure. In Scenario B, serious financial weakness gives rise to vulnerability to client pressure, commercial concessions, and the risk of an improperly favorable decision. For this reason, the accreditation body also evaluates the effect of financial sustainability on the impartiality of decisions.

5.2.6 What the CAB Must Do

- Clearly define the nonconformity
- Pay the debt within the maximum suspension period (6 months) and submit objective evidence.

- Conduct a root-cause analysis; honestly establish whether it is Scenario A or B.
- Define systematic sustainability measures that will prevent a recurrence.
- If Scenario B applies, also analyze the impartiality effect and add it to the risk analysis.
- Submit the risk analysis to NAC within the prescribed period; await the VP's decision
- Do not use the accreditation mark and do not reference the accredited status during the suspension period (FR.001-NAC Cl. 4.1.35).

5.2.7 In Cases of Suspension, Withdrawal, or Scope Reduction, the Accreditation Logo/Mark May Not Be Used

The following rules must be observed:

5.2.7.1 A CAB whose accreditation has been suspended, partially or fully withdrawn, or whose scope has been reduced may not, under any circumstances, use the NAC accreditation logo, mark, or accreditation certificate within the affected scope; it may not make any statement or implication that it is accredited. It must urgently inform any bodies it has joined using the NAC accreditation certificate of its situation. (FR.001-NAC Cl. 4.1.35 and PR.017-NAC Cl. 5.8.3)

5.2.7.2 The prohibition covers not only reports and certificates but every medium in which accreditation may be referenced. These include, but are not limited to:
- Test/inspection/calibration/biobank reports and certification certificates,
- Letterhead, quotations/price offers, contract annexes,
- Website, social media accounts, digital content,
- Advertising, brochures, promotional and trade-fair materials,
- Calibration/inspection labels,
- Email signatures, business cards, corporate presentations,
- Vehicle wraps, building signage, and any visible promotional element.

PR.017-NAC Cl. 5.9 — in the event of suspension or withdrawal, the CAB may not use promotional materials containing accreditation information; it must immediately cease using materials indicating accredited status and stop advertisements stating that it is an accredited body.

5.2.7.3 The prohibition begins not from the date of notification to the CAB, but from the decision date of the Accreditation Decision Committee/VP. (PR.017-NAC Cl. 5.8.3) The CAB is deemed to have ceased mark use from the moment the status change takes effect, without waiting to receive the notification.

5.2.7.4 If a document bearing the accreditation mark has been issued between the decision date and the notification date, the document is considered to be outside the accreditation scope and is withdrawn by the CAB. The defense that "the notification had not yet arrived" is not valid (PR.017-NAC Cl. 5.8.3).

5.2.7.5 The prohibition is not limited to the visual logo/symbol. Any verbal or written expression that implies accredited status — such as "we are accredited by NAC," "accredited laboratory/body," or "holds ILAC recognition" — also falls within the scope of the prohibition. During the suspension period, the CAB may not make any reference to accreditation. (FR.001-NAC Cl. 4.1.35; PR.017-NAC Cl. 5.8.3; ILAC-P8:11/2023)

5.2.7.6 Every use in violation of the prohibition produces serious consequences:
- Any misuse of the accreditation certificate and/or mark is deemed a breach of the Accreditation Agreement (FR.001-NAC Cl. 8.1).

- Upon detection of a violation, NAC reserves the right to initiate legal action without delay (FR.001-NAC Cl. 4.1.35; PR.017-NAC Cl. 5.8.3).
- NAC has the right to take measures against false/unauthorized accreditation claims and the misleading use of symbols, including corrective action, suspension, withdrawal, public announcement of the violation, and legal action (FR.001-NAC Cl. 6.5). ILAC-P8:11/2023 likewise lists, among the sanctions against false declarations, publication of the violation and, where necessary, legal action.
- The misleading/unauthorized use of the mark is, in itself, a separate ground for suspension/withdrawal (PR.017-NAC Cl. 5.8.2.1-j, 5.8.2.2-e). The violation deepens the existing problem and drives the CAB toward a more severe loss of status.

5.2.7.7 The prohibition covers not only the NAC mark but also the ILAC MRA and IAF MLA marks; during the suspension/withdrawal period, any claim of international recognition through the ILAC MRA and IAF MLA marks likewise may not be used. In its use of the mark, the CAB is obligated to comply with GL.007-NAC, GL.017-NAC.TCL and the relevant ILAC/IAF documents (ILAC-P8, ILAC R7, IAF ML2) under FR.001-NAC Cl. 4.1.27.

5.2.7.8 The accreditation mark may be used again only after the decision of the Accreditation Decision Committee/VP to lift the suspension/re-accredit, and only within the accredited scope. Payment of the debt alone does not by itself permit use of the mark (see Clause 5). The return to mark use depends on the favorable decision taking effect (FR.001-NAC Cl. 4.1.23).

5.2.7.9 What the CAB Must Do

- From the decision date, immediately remove the logo, mark, certificate, and any accreditation reference from every medium.
- Review your website, social media, letterhead, e-signature, advertising, and promotional materials; leave no trace of accreditation.
- Withdraw any branded documents/certificates that have been issued; inform affected clients without delay.
- Return the accreditation documents that NAC requests to be returned.
- Make no verbal/written statement referring to accreditation.
- Return to mark use only after a favorable ADC/VP decision and within scope.

6. REVISION TABLE

Date	Section	Amendment
10.04.2026	All	Initial issue
01.06.2026	All	Instead of nonconformity and corrective action process, financial risk analysis is integrated into the procedure. Editorial changes have been made to harmonize the entire text.