

Alliance offers its clients a straight forward way to limit commercial risks when importing or exporting your goods.

Inspection benefits:

- ensure the quantity produced (finished and packed) matches with the quantity ordered
- ensure visual appearance (color, finish) matches with product ordered
- ensure product specifications (measurements, material, functions) comply with the order
- verify packaging, labeling, instructions and markings comply with mandatory standards

Type of Inspection:

- **(Initial Production Inspection) (IPI):**

Components and raw material: is a visual inspection of materials, components and products available at an initial stage of production.

Why need Initial Product Inspection?

Initial Production Inspection is to ensure the vendor understand well about your order specification in the beginning, to avoid bad surprise after the mass production starts, to avoid unnecessary re-engineering delays and costs later.



When need Initial Product Inspection?

- If your vendor is new and you don't trust on their quality at all
- If your products have special or particular requirements
- If you order involves several different materials
- If your order quantity is large



Initial Product Inspection involves checking the following points and operating the following steps:

Production status:

- When the production is supposed to start?
- Does the raw materials and components are prepared?
- Production line capacity & capabilities

Materials and components inspection:

- Style
- Color
- Dimensions
- Weight/Thickness
- Specifications

- Sample provided by client
- Material storage condition

Accessories -finished products inspection- finished products:

- Style
- Color
- Dimensions
- Weight
- Specifications
- Sample provided by client
- Packing& Package

Ours recommendations:

- What need to improve in order to minimize defects
- What need to improve in order to raise the quality level
- What corrective action plan to implement before your production finish
- According to us, will the production finish on time or not
- ✓ An Initial Production Inspection (IPI) is conducted at the very beginning of production, ideally after the vendor verification process (factory and/or social audit) has been completed.
- ✓ The objective of an Initial Production Inspection, or Pre Production Inspection (PPI), is to identify defective materials or components prior to the production process, thereby minimizing the risk of non-conformities and allowing for timely corrections where necessary. It can also identify if your vendor has correctly understood your order, avoiding miscommunication and ensuring that any deviations from the customer's specifications are addressed early.

- **During Production Inspection (DPI/DUPRO)**

- What is the During Production Inspection?

The **During Production Inspection (DPI)** will take place during production between 20% and 80% of the manufacturing process. We check packed and ready to go products.

- What do we check during a During Production Inspection?

Product appearance (AQL), workmanship quality, size measurements, weight check, functionality assortment, accessories, labeling & logos, packaging, packing and other tests and special requirements that depends on the product and the export market. The During Production Inspection in China or anywhere in Asia (DPI) will also cover the raw materials, unfinished products and the planning of production.

- What is the benefit of a During Production Inspection?

We will intervene in the middle of the production process to check if the quality of your products reaches your standards and make sure production is on schedule. We inspect the actual production volume to avoid any delays in your final shipment. Following a During Production Inspection in China or anywhere in Asia, you can still modify the production protocol and still be on time with your order even if we find problems.

The During Production Inspection (DUPRO or DPI), or In-line Product Inspection (IPI), checks semi-finished or finished goods part-way through the production process. Generally, this takes place when between 40% of your order has been produced and 20% export-packed.

Doing so improves your control over production and allows for timely correction of defects and improvements to quality.

- **Final Random Inspection (FRI)**

Final Random Inspections (FRI) are by far the most popular tool for securing supply chain quality control for consumer goods. FRI normally takes place once 80% of the goods are available. The final result of an inspection usually triggers the shipment and the payment. The accuracy and reliability of your inspection report are crucial in order to take appropriate decisions regarding your products.

Based on the Acceptable Quality Level (AQL) tables, a random sampling of the goods subject to inspection is determined in order to statistically infer the quality of the lot. In most of cases FRIs evaluate three main aspects of product quality:

1) The Product Conformity to the Required Specifications:

- All of the important aspects of the products will be verified by our inspectors: gross dimensions, weight and packaging, overall aspect and colors, markings, functions and components figure among the most relevant ones.
- The inspector shall base his or her evaluation on the product specifications and ideally our customer should make available a “reference sample”[2] at the factory location or directly at our inspection office.

2) A Number of Visual Defects:

- The decision to opt for either a three grade general inspection or a four grade special inspection, will determine the level of severity and the size of the sampling lot to be inspected. As a common practice, the special inspection level will only be used for destructive testing, complex product testing-such as assembly tests for example- or highly time consuming testing to evaluate a restricted number of products.
- For example, if a purchaser is sourcing 12.000 electrical toys from a factory and wants to apply level 2 testing (average severity) for the general inspection level then the quantity of product to be inspected is defined by the letter M and set at 315 units.
- Our inspector will then evaluate and screen the defects on this defined lot. There are three categories of product defects:
- **Critical** - A critical defect is one that judgment and experience indicate is likely to:
 - a. result in hazardous or unsafe conditions for individuals using, maintaining, or depending upon the products; or
 - b. Prevent performance of the tactical function of a major end item. A critical defective is a unit of product that contains one or more critical defects.
- **Major** - A major defect is one, other than critical, that is likely to result in failure, or to reduce materially the usability of the unit of product for its intended purpose. A major defective is a unit of product that contains one or more major defects.
- **Minor** - A minor defect is one that is not likely to reduce materially the usability of the unit of product for its intended purpose, or is a departure from established standards having little bearing on the effective use or operation of the unit of product. A minor defective is a unit of product that contains one or more minor defects [3].

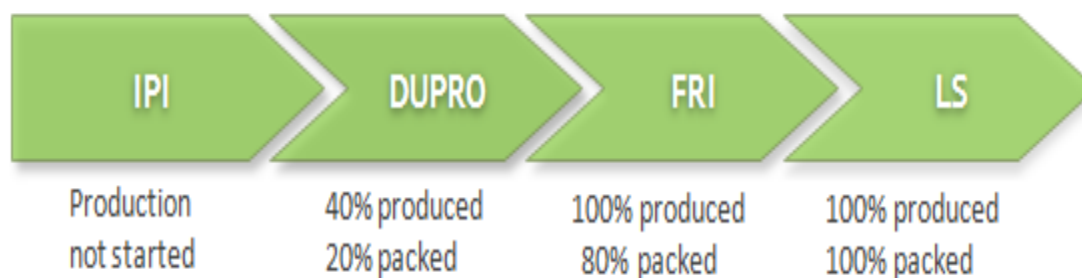
- For the previous example, when setting 2.5% for major and 4.5% for minor defects, this means that up to 14 major defects may be found as well as a maximum of 21 minor defects. Above these numbers, the product sample is rejected.
- Customers can define their level of acceptable defects by category by using product sheet check-up list. You may also mandate API to use its own product sheets and opt to rely on our expertise to define minor and major defects by product type. In fact, advising customers regarding which quality requirements are best applied is one of the cornerstones of our product specialization.

3) On-Site Simplified Product Testing:

- A certain number of simple tests can be performed in the factory itself to check for several product quality aspects
 - However due to the time constraints and the limited testing equipment available for on-site factory use, a full assessment prior to shipment is not possible. We suggest guaranteeing your product quality by performing more comprehensive testing in one of our local labs using the pre-shipment testing approach. Pre-shipment tests are simplified tests which can be performed in one, three or five days and which have been developed for the purpose of ensuring total quality control in your sourcing process.
 - In partnership with our sister company API lab testing, API teams are able to coordinate and drive the entire process of qualification/product certification and inspection/shipment release for a given product or complete product lines.
 - The Final Random Inspection (FRI), or Pre Shipment Inspection (PSI), checks finished products when at least 80% of your order has been produced and export-packed. Samples are selected at random, according to **AQL sampling standards** and procedures.
 - The Final Random Inspection ensures that the production complies with your specifications and/or the terms of your purchase order or letter of credit.
- **Supplies in storage: Cargo Container Loading Supervision (LS)**
Container Loading Supervision (LS) checks that your order is both complete and securely loaded into its container before shipment. This inspection ensures that the goods delivered by the factory are compliant with your requirements in terms of quantity, assortment, and packaging.

A container loading inspection also ensures that the export cartons are securely loaded into the container, and that the container is in good condition

When to use a quality control inspection?



THE 4-STEP CERTIFICATION PROCESS:

Follow these four simple steps in order to get your products certified for export. This process is conducted sequentially; steps 1-3 are completed prior to shipment at the country of export. Step 4 occurs at the Iraqi border.

1. DOCUMENT VERIFICATION

- **Valid Conformity Documents** (if available)
- **Letter of Credit** (where applicable)
- **Pro-formal Invoice**
- **Packing List**

And the following information:

- Method of Shipment
- Port of entry
- Quantity of goods
- Value of goods
- Country of manufacture
- Name and address of importer and exporter
- Goods Description (design/brand/model)
- List of production date and expiry date for food products

ARE THEY SUPPLY ALL THE NECESSARY DOCUMENTS?

- If they provide all the necessary documents, proceed straight to the physical inspection of goods (step3)
- If they do not already have a valid conformity document, proceed to the product laboratory test (step2)

2. PRODUCT LABORATORY TESTING

Alliance will collect product samples for testing. Alliance will have samples analyzed in an ISO 17025 accredited or otherwise qualified laboratory (as per Alliance procedures).

OUTCOMES:

- If the lab tests meet Iraqi standards, they will be issued with a **Laboratory test report**. Proceed to physical inspection of goods (step3)
- If the lab test fails, we will advise exporters of any corrective action(s) to be taken.
 - If corrective action is taken, you will be issued with a **Laboratory test report** as above. Proceed to physical inspection of goods (step3)
 - If the exporter fails to make necessary corrective action(s), Alliance will issue a **Non Conformity Report (NCR)** to the exporter.

3. PHYSICAL INSPECTION OF GOODS

Alliance will carry out a physical inspection of the goods and/or supervise the container loading, as required.

OUTCOMES:

- Upon successful passing of the inspection, Alliance will seal the containers if required (e.g. FCL).
- The exporter must then submit their Final Documents to Alliance: both the **Transport Documents** and the **Commercial Invoice**. Upon receipt of these documents, Alliance will issue the exporter a **Certificate of Conformity (COC)**. Proceed to final check (step4)
- If the inspection fails, Alliance will advise exporters of corrective action(s) needed to pass the inspection.
 - If corrective action is taken, and the necessary documents are submitted (see above), Alliance will issue a **Certificate of Conformity (COC)**. Proceed to final check (step4)
 - If you still fail to meet the requirements, Alliance will issue a **Non Conformity Report (NCR)** to the exporter.

4. FINAL CHECK

The importer will present the Certificate of Conformity to the Alliance officer at the Iraqi border point. Alliance will verify the authenticity of the document, the consistency between the COC and import documentation, and visually check if the goods presented correspond to the COC document

DID THEY PASS THE FINAL CERTIFICATION CHECK?

- If the importer passes all the above verifications, Alliance will issue a **Release Note** which, together with the COC, will be given to Customs in order to clear the shipment.
- If the importer fails to pass these verifications, Alliance will not issue a **Release Note**.

CERTIFIED FOR EXPO

