

**MEMORANDUM OF
UNDERSTANDING**

BETWEEN THE

COMMONWEALTH OF AUSTRALIA

AND

**STANDARDS AUSTRALIA
INTERNATIONAL
LIMITED**

ABN 85 087 326 690

NOW IT IS HEREBY AGREED as follows:

Article 1 Definitions

1.1 General terms used in this Memorandum shall have the meaning given in the definitions contained in the current version of International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) Guide 2, *Standardization and related activities - General Vocabulary*, unless the context otherwise requires.

1.2 The following terms and their definitions shall apply for the purpose of this Agreement:

'Australian Standard' means a standard issued by or under the authority of Standards Australia. 'Australian Standard' is a registered trade mark of Standards Australia. Australian Standards are consensus based, voluntary documents with which compliance is not mandatory unless incorporated into law or called up in contractual arrangements.

'National Differences' means those elements of an Australian Standard that are deviations from an international standard or, where appropriate, from a de-facto international standard.

Article 2 General Provisions

2.1 The Memorandum encompasses the preparation of Australian Standards by Standards Australia and by bodies accredited by the Standards Accreditation Board of Standards Australia to develop Australian Standards. It also encompasses Standards Australia's participation in international and regional standardisation.

2.2 The Memorandum acknowledges that certain Commonwealth agencies and authorities have a clear responsibility to prepare standards and technical regulations which may or may not involve the participation of Standards Australia or the reference of Australian Standards.

2.3 This Memorandum has effect for a period of five (5) years from the date of its execution.

2.4 After eighteen (18) months from the date of its execution the Parties will review the performance of this Memorandum with particular reference to activities as set out in an annual exchange of letters between the Parties.

Article 3 General Principles

3.1 Standards Australia will have regard to the following principles in the preparation of new and the revision of existing Australian Standards:

3.1.1 any assessment process for the development of standards should be scientifically and economically rigorous, including, where appropriate, a risk assessment process which takes into account public and occupational health and safety and environmental protection;

- 3.1.2 for proposed standards and development projects, Standards Australia will have regard to the balance of costs and benefits involved and, where appropriate, undertake a cost/benefit analysis;
 - 3.1.3 standards should be written in terms that do not inhibit competition; and
 - 3.1.4 standards should have clearly identifiable outcomes and, wherever appropriate, contain performance based requirements that specify outcomes rather than inputs or other prescriptive requirements. This should not preclude the development, in some instances, of Australian Standards that contain detailed technical specifications that offer "deemed to comply" solutions to performance based requirements. It is recognised that certain levels of prescription may be required to ensure public safety in high risk situations and where interconnection and compatibility is involved.
- 3.2 Standards Australia will advise relevant Commonwealth agencies and standards setting authorities and, where appropriate, State and Territory authorities, of new or proposed projects and will consult with them with a view to considering whether to proceed and ensuring that the proposed new or revised standards are consistent with regulatory requirements.
 - 3.3 When preparing Australian Standards, Standards Australia will ensure that its practices comply with the World Trade Organization (WTO) Agreement on Technical Barriers to Trade (TBT) and the Code of Good Practice at Annex 3 of that Agreement to which Standards Australia has declared its adherence.
 - 3.4 When preparing Australian Standards, Standards Australia will, in accordance with Articles 3 and 4 of the WTO TBT Agreement, utilise accepted international standards to the maximum extent possible and will only depart from this practice where there are compelling reasons to do so.
 - 3.5 Standards Australia will seek consensus and a fair and acceptable balance of all relevant interests when developing Australian Standards reflecting not only sound and modern technical practice, but also taking full account of the needs of producers, service providers, users and others who are materially affected.
 - 3.6 When preparing Australian Standards, Standards Australia will ensure all reasonable steps are taken to ensure the process is carried out in an expeditious manner, without compromising any agreed objectives or scientific rigour.

Article 4 Recognition

- 4.1 The Commonwealth recognises Standards Australia as the peak non-government standards development body in Australia.
- 4.2 The Commonwealth recognises Standards Australia as the Australian member of the International Organization for Standardization (ISO), the International Electrotechnical Commission (IEC) and the Pacific Area Standards Congress (PASC).

- 4.3 The Commonwealth recognises the Standards Accreditation Board established by Standards Australia as a separate body for the accreditation of other bodies to develop Australian Standards.
- 4.4 The Commonwealth recognises the objective of common standards for Australia and New Zealand and their development on an equitable basis.
- 4.5 The Commonwealth recognises Standards Australia as the administrator of the Australian Business Excellence Awards and the Australian Design Awards and as the Australian member of the Global Network of Business Excellence Awards Administrators.
- 4.6 The Commonwealth recognises that Standards Australia needs to enter into complementary business activities, as provided for by its Constitution, to enable it to prepare Australian Standards in a wide range of areas and to be a principal source of standardisation information in Australia.

Article 5 Standards Australia Undertakings

- 5.1 Standards Australia will provide national leadership for establishing documentary Australian Standards in Australia as defined in Article 1.2 and which are consensus based, voluntary documents with which compliance is not mandatory unless incorporated into law or called up in contractual arrangements.
- 5.2 In this role, Standards Australia will, wherever possible, give priority to requests for work that the Commonwealth considers necessary for the successful attainment of national interest objectives.
- 5.3 Standards Australia will prepare and revise Australian Standards seeking to ensure that they facilitate international trade.
- 5.4 Where Government seeks the development of Australian Standards for regulatory purposes, Standards Australia will endeavour to ensure that they are drafted in a form suitable for referencing in legislation/regulation and that they represent a minimum effective solution.
- 5.5 Standards Australia will seek to ensure that:
 - 5.5.1 business is actively involved at the management level in decisions about whether a standard needs to be developed or revised; and
 - 5.5.2 all stakeholders, including small business, consumer organisations, industry and government, are adequately represented on Standards Australia's Standards Sector Boards.
- 5.6 Where an Australian Standard departs from an equivalent international standard, Standards Australia will publish the compelling reasons for the departure in the Preface to the Australian Standard and wherever possible ensure that National Differences are clearly identified in accordance with ISO/IEC Guide 21, *Adoption of International Standards as regional or national standards*.

- 5.7 In recognition of its status as the peak non-government standards development body in Australia, Standards Australia will administer the Standards Accreditation Board for the accreditation of other bodies to develop Australian Standards and will:
- 5.7.1 have available documented procedures and systems for developing standards for the guidance of accredited bodies;
 - 5.7.2 have available, through the Standards Accreditation Board, documented procedures and systems for the accreditation of other standards development organisations; and
 - 5.7.3 provide for an appropriate return to an accredited body for its intellectual property.
- 5.8 Standards Australia will provide and maintain a national register of Australian Standards that are referenced in Australian legislative instruments.
- 5.9 In its role as Australia's representative in ISO, IEC and PASC, Standards Australia will, in accordance with the principles agreed by the Standards Development Board as published in Standardization Guide No 15, *Australian Involvement in International Standardization*, act in the national interest and recognise the priorities of the Australian community and will consult with the Commonwealth on proposed changes to those principles.
- 5.10 In representing the Australian view at international meetings, Standards Australia will:
- 5.10.1 ensure that it consults with other interested bodies including industry, government, regulatory and consumer organisations and will actively seek their participation;
 - 5.10.2 use its best endeavours to ensure that sufficient funding is available to enable adequate participation by industry and other technical experts at international meetings;
 - 5.10.3 advise the Commonwealth in advance of any meetings where significant policy issues are likely to be discussed;
 - 5.10.4 when requested, provide the Commonwealth with the brief for the Australian delegation prior to such meetings; and
 - 5.10.5 when requested, provide the Commonwealth with a report on the meeting at the conclusion of any such meeting.
- 5.11 Where Standards Australia participates in the development of international standards, Standards Australia will ensure the provision of resources, subject to their availability, and other necessary support to ensure the participation of technical experts from industry, government and consumer groups to formulate and present an Australian view.
- 5.12 Standards Australia will develop and maintain links with the national standards bodies of other countries and enter into such bilateral or multilateral reciprocal recognition agreements as it considers necessary to improve quality, safety and the efficiency and competitiveness of Australian industry.
- 5.13 Standards Australia recognises and will cooperate with the other Australian standards and conformance infrastructure bodies including, but not limited to, the National Association of

Testing Authorities, the National Standards Commission, the National Measurement Laboratory, the Joint Accreditation System of Australia and New Zealand and the Australian Government Analytical Laboratories, and will participate in annual meetings with these bodies.

- 5.14 Where Standards Australia intends to enter into an agreement with a Commonwealth agency for the purpose of preparing standards, it will, in advance of concluding the agreement, advise the Department of Industry, Tourism and Resources of the terms and conditions of the agreement to ensure consistency with this Memorandum.
- 5.15 Standards Australia will keep the Commonwealth informed of any contracts of service or other financial agreements related to standards development entered into with Commonwealth Departments or Agencies.
- 5.16 Standards Australia will ensure that the complementary business activities referred to in Article 4.6 do not conflict with or divert attention from its core activities.
- 5.17 Standards Australia will ensure that there is adequate separation from its commercial subsidiary, SAI Global Limited.
- 5.18 Standards Australia will ensure that Australian Standards do not discriminate between conformity assessment bodies, and Standards Australia will use its best endeavours to ensure that there is no such discrimination in international standards.
- 5.19 In its work within PASC and other regional fora Standards Australia will ensure that the national interest priorities of the Commonwealth and Australian industry are taken into account.

Article 6 Commonwealth Undertakings

- 6.1 The Commonwealth may, through the grant in aid, provide financial assistance in relation to activities assessed as being in the national interest which will be addressed in detail in the annual Deed of Agreement between the Parties.
- 6.2 The Commonwealth will, to the maximum extent possible, participate on Standards Australia's Council, Board, Standards Development Board, Standards Sector Boards and Technical Committees.
- 6.3 The Commonwealth will actively support Standards Australia's efforts to achieve internationally aligned standards.
- 6.4 The Commonwealth will, in recognising Standards Australia as the Australian member of ISO, IEC and PASC, participate in developing policies and delegation briefs via its membership of Standards Australia's Standards Development Board and its ISO and IEC Subcommittees.
- 6.5 The Commonwealth will, where appropriate, invite Standards Australia to participate in national, regional and international intergovernmental discussions involving the standards and conformance infrastructure. Where such discussions may give rise to intergovernmental agreements, the Commonwealth will, as appropriate, take into account Standards Australia's views on how best to implement such agreements.

- 6.6 The Commonwealth will encourage government legislative and regulatory bodies to use the process of developing standards and related documents provided by Standards Australia rather than develop their own standards and documents and, where appropriate, participate in the development of Australian Standards that are in a form suitable for referencing in legislation, regulations and purchasing guidelines. The Commonwealth's general policy is to use Australian Standards for regulatory purposes only where it is satisfied that the standard represents a minimum effective solution to the problem being addressed. Consistent with this policy, the Commonwealth will retain the right to develop, where warranted, its own standards.

Article 7 Joint Undertakings

- 7.1 The Commonwealth and Standards Australia will encourage full participation of all concerned, especially public purchasing authorities, in the preparation and use of Australian Standards.
- 7.2 Where the Commonwealth or its agencies have regulatory, statutory or other formal standards-making responsibilities, and Standards Australia is also active in these areas, then the Commonwealth and Standards Australia will coordinate their activities to the maximum practical extent, to avoid duplication or conflict.
- 7.3 Both Standards Australia and the Commonwealth will exert their best efforts to promote understanding and awareness of Australian Standards and their uses through educational, training and promotional activities.
- 7.4 The Parties will work together to arrive at mutually acceptable solutions to any problems or disputes that may arise in relation to this Memorandum.
- 7.5 The Parties agree that they will use their best endeavours to promote the role of Standards Australia and the Australian standardisation process within governments, industry and the community.
- 7.6 The Parties will hold meetings of senior representatives on a six monthly basis to discuss matters of mutual interest.

Article 8 Variation

This Memorandum may be varied by agreement of the Parties and any such variation shall be set out in writing and signed by both Parties.

Article 9 Termination

The Commonwealth or Standards Australia may, upon giving twelve calendar months notice in writing of its intention to do so, terminate the Memorandum.

Article 10 Notices

- 10.1 Notices of communication by Standards Australia to the Commonwealth about this Memorandum shall, unless otherwise notified in writing by the Commonwealth to Standards Australia, be addressed to the Commonwealth as follows:

General Manager
Trade and International Branch
Department of Industry, Tourism and Resources
GPO Box 9839
CANBERRA ACT 2601

10.2 Notices of communication by the Commonwealth to Standards Australia shall, unless otherwise notified in writing by Standards Australia to the Commonwealth, be addressed to Standards Australia as follows:

Chief Executive
Standards Australia International Limited
GPO Box 5420
SYDNEY NSW 2001

IN WITNESS WHEREOF the Parties have executed this Memorandum on the date first above written.

SIGNED for and on behalf of the)
COMMONWEALTH OF AUSTRALIA)
By WARREN ENTSCHE) _____
Parliamentary Secretary to) Parliamentary Secretary
the Minister for Industry, Tourism and Resources)
in the presence of:)

SIGNED for and on behalf of)
STANDARDS AUSTRALIA)
INTERNATIONAL LIMITED)
by GEORGE EDWARDS) _____
Chairman) Chairman
in the presence of:)
