

**MEMORANDUM OF  
UNDERSTANDING**

**BETWEEN THE**

**COMMONWEALTH OF AUSTRALIA**

**AND THE**

**NATIONAL ASSOCIATION OF  
TESTING AUTHORITIES,  
AUSTRALIA**

**ABN 59 004 379 748**

This *MEMORANDUM OF UNDERSTANDING* is made

this *first* day of *April* 2008

BETWEEN

The *COMMONWEALTH OF AUSTRALIA* represented for the purposes of this Memorandum by its Commonwealth Department of Innovation, Industry, Science and Research,

AND

*THE NATIONAL ASSOCIATION OF TESTING AUTHORITIES, AUSTRALIA* (ABN 59 004 379 748) (NATA), a company incorporated in Victoria limited by guarantee, having its Head Office at 7 Leeds Street, Rhodes, NSW 2138.

*WHEREAS:*

- A. The Commonwealth and NATA, in partnership, desire to assist the wider Australian community by strengthening Australia's system for measurement, testing, inspection and associated activities and to ensure that an appropriate level of accreditation of the various elements of the system is available. They also recognise that this system, amongst many other community benefits, provides an important mechanism for improving business efficiency and competitiveness of Australian industry in international and national markets for the benefit of all Australians.
- B. The Commonwealth:
- (i) aims to promote an appropriate, internationally recognised infrastructure for inspection, testing, measurement, proficiency testing schemes, reference material production and certification, based on accreditation;
  - (ii) aims to encourage the ongoing development and strengthening of that infrastructure to meet the changing needs of industry and consumers in Australia's public and national interest;
  - (iii) recognises the value of accreditation systems in providing confidence in testing;
  - (iv) looks to NATA to provide leadership and guidance;
  - (v) recognises NATA as Australia's key organisation for the development of knowledge, international experience and recognition in accreditation of inspection bodies, testing and measurement laboratories, proficiency testing scheme providers and producers of reference materials; and
  - (vi) recognises NATA's role in accrediting facilities that play a crucial role in assuring public health, safety and environmental quality.

*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 versions of International Organization for Standardization/International Electrotechnical Commission (ISO/IEC) Guide 2: "Standardization and related activities - General vocabulary" and ISO/IEC 17000: "Conformity assessment - Vocabulary and general principles" unless the context otherwise requires.
- 1.2 The following terms and their definitions shall apply for the purpose of this Agreement:
- 'Laboratory'** means a facility engaged in calibration, measurement, testing or related services.
- 'Reference Material'** means a substance that enables the transfer of values of measured or assigned quantities between laboratories both domestically and internationally.
- 'Inspection Body'** means a body carrying out inspection services.
- 'Accredited Service Provider'** means an accredited laboratory, a producer of reference materials, an inspection body or a provider of proficiency testing schemes.

### ***Article 2 General Provisions***

- 2.1 This Memorandum encompasses the accreditation by NATA of laboratories, inspection bodies, proficiency testing scheme providers and producers of reference materials. It also encompasses the activities of NATA in its participation in international and regional fora.
- 2.2 The Memorandum will remain current until varied or terminated by the Parties.
- 2.3 The Parties will complete a review of the performance of this Memorandum at intervals not exceeding five years.

### ***Article 3 Recognition***

- 3.1 Except with respect to therapeutic goods (as defined by the *Therapeutic Goods Act 1989* (Cth)), the Commonwealth:
- 3.1.1 recognises NATA as the national authority for accreditation of laboratories conducting tests and measurements in all technical fields and including laboratories performing tests and studies in accordance with the OECD Principles of Good Laboratory Practice;
- 3.1.2 recognises NATA as the national authority for the accreditation of producers of reference materials;
- 3.1.3 recognises NATA as a peak authority for the accreditation of proficiency testing scheme providers; and
- 3.1.4 recognises NATA as a peak authority for the accreditation of inspection bodies.

- 3.2 This Memorandum recognises the close relationship that exists between NATA and its New Zealand counterpart organisation, International Accreditation New Zealand (IANZ).
- 3.3 The Commonwealth recognises NATA as the Australian member of the International Laboratory Accreditation Cooperation (ILAC), the Asia Pacific Laboratory Accreditation Cooperation (APLAC) and the OECD Panel on Good Laboratory Practice.
- 3.4 The Commonwealth recognises that NATA needs to enter into complementary business activities to enable it to support the full range of its accreditation activities and to be a primary source of information on laboratory accreditation in Australia.

#### ***Article 4 NATA Undertakings***

- 4.1 NATA will provide national leadership in establishing standards of good laboratory practice, in accrediting laboratories, inspection bodies, proficiency testing scheme providers and producers of reference materials thereby providing a network of competent accredited service providers to meet national needs as identified by governments or industry groups.
- 4.2 NATA will prepare, publish and, where appropriate, review and revise its procedures, standards and key performance indicators to ensure that these will:
  - 4.2.1 conform with international standards;
  - 4.2.2 meet national and public interest requirements;
  - 4.2.3 conform with Australia's obligations in the World Trade Organization under the Agreement on Technical Barriers to Trade and in bilateral Free Trade Agreements;
  - 4.2.4 facilitate international trade;
  - 4.2.5 satisfy the requirements for public health, safety and environmental protection;
  - 4.2.6 enhance the quality and performance of products, materials and related services;
  - 4.2.7 be suitable for uniform reference in Australian governments' laws, regulations and public purchasing contracts; and
  - 4.2.8 provide the testing, measurement and calibration basis for certification systems.
- 4.3 NATA will ensure that the Association and its committees develop practices which are in harmony with international standards for good laboratory practice and for the operation of laboratory and related accreditation systems.
- 4.4 NATA will recognise and cooperate with other key infrastructure bodies including Standards Australia, the National Measurement Institute and the Joint Accreditation System of Australia and New Zealand and will participate in annual meetings with these bodies.

- 4.5 In seeking to develop international compatibility and uniformity of testing, measurement and calibration throughout Australia, NATA will seek consensus and a fair and acceptable balance of all relevant interests in its work, and encourage full participation which reflects not only sound and modern technical practice but also takes full account of the needs of manufacturers, service providers and users.
- 4.6 NATA will assist the Commonwealth in attaining the objectives of the *National Measurement Act 1960*. In particular, NATA will:
- 4.6.1 promote the use by its accredited laboratories of the legal units of measurement prescribed under the Act;
  - 4.6.2 collaborate with the National Measurement Institute in promoting the use of Australia's primary and secondary standards of physical measurement; and
  - 4.6.3 collaborate with the National Measurement Institute in matters pertaining to chemical, biological, legal and physical metrology.
- 4.7 NATA, in developing and implementing its corporate objectives, will seek to provide community benefits and improve the competitiveness of the Australian economy by facilitating a world class innovative testing, measurement and inspection system.
- 4.8 NATA will evaluate ways in which its services can be provided more efficiently and, consistent with international standards, apply innovative techniques to its accreditation process with a view to minimising costs to industry.
- 4.9 NATA will facilitate a competitive proficiency testing services market by publicly identifying proficiency testing requirements for accreditation purposes and by encouraging any appropriately accredited scheme providers to undertake such proficiency testing activities.
- 4.10 NATA will ensure that proficiency testing requirements for accredited laboratories are fit for purpose through extensive consultation with all stakeholders, including consumers of laboratory services where practical. Accredited laboratories participating in specified proficiency testing program will be required to inform NATA of the results of such participation.
- 4.11 NATA will continue to make accessible and transparent its complaints handling process, including for complaints relating to accreditation and allied proficiency testing requirements.
- 4.12 NATA will represent Australia in the International Laboratory Accreditation Cooperation (ILAC), the Asia Pacific Laboratory Accreditation Cooperation (APLAC), the OECD Panel on Good Laboratory Practice and other such fora as may be agreed between the Parties from time to time.
- 4.13 In its role as Australia's representative under 4.12, NATA will represent any position determined and conveyed to NATA by the Commonwealth and take into account the priorities of Australian industry.
- 4.14 In representing the Australian view at international meetings, NATA will:
- 4.14.1 ensure that it consults with other interested bodies including industry,

government, other infrastructure bodies and consumer organisations;

- 4.14.2 advise the Commonwealth in advance of the formation of Australian delegations to attend any international meetings;
  - 4.14.3 when requested, take account of Commonwealth views in formulating the brief and provide the Commonwealth with the brief for the Australian delegation prior to such meetings; and
  - 4.14.4 when requested, provide the Commonwealth with a report on the meeting within 90 days of the conclusion of the meeting.
- 4.15 NATA will continue to develop and maintain links with foreign national accreditation bodies responsible for accredited service providers and maintain its operations in harmony with those foreign accreditation systems considered appropriate for development of reciprocal recognition agreements, bilateral or multilateral, which are considered in the national interest. In developing such reciprocal agreements, NATA will consult with the Commonwealth on the relevance of each agreement to the national interest or to the support of business efficiency and competitiveness and trade opportunities for Australian industry and services.
- 4.16 NATA will be the national authority responsible for monitoring compliance with the OECD Principles of Good Laboratory Practice and will ensure that relevant Australian codes of practice are in harmony with those principles.
- 4.17 NATA will provide and maintain an accessible and searchable national database of accredited service providers in Australia, and will encourage increased community and industry access to its work and database.
- 4.18 NATA will promote an awareness of the importance of its work to quality and the public interest, in educational institutions, industry and the general community.
- 4.19 NATA will involve industry in its laboratory accreditation system, encourage all laboratories (including Commonwealth and State) to be accredited and promote recognition of the scheme by all users of test and measurement data.
- 4.20 NATA will encourage accredited service providers to identify the specific needs of industry. Fulfilment of such needs would assist in improving export performance, and will ensure that NATA's planned activities are brought to the attention of the widest possible audience of relevant interest.
- 4.21 NATA will ensure that the use of proficiency testing results at an appropriate level is an integral part of its laboratory accreditation program.
- 4.22 NATA will ensure that there is adequate separation from any commercial subsidiaries.
- 4.23 NATA will ensure that any such complementary business activities referred to in Article 3.4 do not conflict with or divert attention from its core activities.
- 4.24 NATA will work in ILAC, APLAC and other international and regional fora to ensure that the national interest priorities of the Commonwealth, Australian industry and the wider Australian community in APEC, the WTO and other trade agreements and arrangements are taken into account.

- 4.25 Where NATA intends to enter into an agreement with a Commonwealth agency for the purpose of accrediting laboratories or inspection bodies it will, in advance of concluding the agreement, advise the Department of Innovation, Industry, Science and Research of the terms and conditions of the agreement to ensure consistency with this Memorandum.
- 4.26 NATA will respond to concerns raised by Commonwealth agencies with respect to the performance or competence of NATA accredited laboratories and laboratories accredited by NATA's MRA partners and will provide timely feedback to the relevant agency on actions taken to address those concerns.

### ***Article 5 Commonwealth Undertakings***

- 5.1 The Commonwealth may, through a grant-in-aid, provide financial assistance in relation to activities contributing in net terms to the welfare and wellbeing of the Australian community as a whole that would not occur if left entirely to the private market.
- 5.2 Consistent with its obligations, the Commonwealth will continue to:
- 5.2.1 advise other governments and relevant international conformance organisations that NATA is the nationally recognised laboratory accreditation body; and
  - 5.2.2 inform the laboratory community and users of laboratory accreditation services that NATA is the only accreditor recognised by the Commonwealth Government.
- 5.3 The Commonwealth and its agencies will, to the maximum extent possible, participate on NATA Technical Committees and Council. Where Commonwealth officers assist NATA in furtherance of its work as members of Council or its committees, no recovery will be sought for the salary and salary-related costs involved.
- 5.4 Where Commonwealth officers assist NATA as technical assessors, no recovery will be sought for the salary and salary-related costs under normal circumstances. Where the burden on a Commonwealth entity is such that its own activities are compromised, restrictions on availability or payment covering salary and salary-related expenses may be negotiated.
- 5.5 The use of Commonwealth officers in assisting any other NATA activity shall require further agreement with the Commonwealth.
- 5.6 The Commonwealth shall, to satisfy its own testing needs, consider fully the merits of using NATA accredited service providers or service providers accredited by organisations with which NATA has a mutual recognition agreement.
- 5.7 The Commonwealth will require NATA accreditation when the case for such a requirement has been established through the regulatory review processes required by the Office of Best Practice Regulation or its successor.
- 5.8 The Commonwealth will encourage other Australian governments and instrumentalities to adopt a similar approach to that indicated in Article 5.6.

- 5.9 All Commonwealth laboratories whose principal function is to provide calibration, measurement, testing or related services to either Government or outside agencies will, as appropriate, obtain and maintain accreditation by NATA.
- 5.10 The Commonwealth will support NATA's efforts to achieve international harmonisation of standards and codes of practice on laboratory accreditation, accreditation of proficiency testing scheme providers, inspection body accreditation and accreditation of producers of reference materials.
- 5.11 The Commonwealth will, where appropriate, invite NATA to participate in national, regional and international intergovernmental discussions involving the standards and conformance infrastructure, unless there are reasons of confidentiality for not doing so. Where such discussions may give rise to intergovernmental agreements, the Commonwealth will, as appropriate, take into account NATA's views on how best to implement such agreements.
- 5.12 Commonwealth regulatory agencies will work with NATA as appropriate to ensure that facilities accredited by NATA or its MRA partners maintain the required level of competence to satisfy relevant regulatory requirements.

### ***Article 6 Joint Undertakings***

- 6.1 The Commonwealth and NATA will, where appropriate, encourage service providers in all sectors of the Australian community to adhere to the principles of good laboratory and inspection practice embodied in NATA's criteria for accreditation, to have such adherence recognised through NATA accreditation and as necessary to incorporate use of accredited facilities in appropriate purchasing decisions, regulations, quality assurance requirements and operational procedures.
- 6.2 The Commonwealth and NATA will promote understanding and awareness of principles of good laboratory and inspection practice and the objectives and mechanisms of NATA's accreditation through educational, training and international activities. Furthermore, NATA and the Commonwealth shall seek to strengthen national information services on technical regulations and national and international laboratory, inspection, proficiency testing scheme provider and providers of reference material accreditation systems.
- 6.3 The Parties will work together to arrive at mutually acceptable solutions to any problems or disputes that may arise in relation to this Memorandum.

### ***Article 7 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 8 Termination***

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

***Article 9 Notices***

- 9.1 Notices or communication by NATA to the Commonwealth about this Memorandum shall, unless otherwise notified in writing by the Commonwealth to NATA, be addressed to the Commonwealth as follows:

General Manager  
Trade and International Branch  
Department of Innovation, Industry, Science and Research  
GPO Box 9839  
CANBERRA ACT 2601

- 9.2 Notices or communication by the Commonwealth to NATA shall unless otherwise notified in writing by NATA to the Commonwealth, be addressed to NATA as follows:

Chief Executive  
National Association of Testing Authorities, Australia  
7 Leeds Street  
RHODES NSW 2138

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 MARIE PATERSON  
SECRETARY

in the presence of:

*Marie Paterson*

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) *Marie Paterson*  
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SIGNED for and on behalf of the  
NATIONAL ASSOCIATION OF TESTING  
AUTHORITIES, AUSTRALIA

by  
Director, Benny David Inglis  
in the presence of:

*Benny David Inglis*

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) *Benny David Inglis*  
) NATA Director  
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