

JAS-ANZ



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# Statement of Corporate Intent

for the period  
1 July 2008 to 30 June 2011

JOINT  
ACCREDITATION  
SYSTEM OF  
AUSTRALIA AND  
NEW ZEALAND

[JAS-ANZ.COM.AU](http://JAS-ANZ.COM.AU)

31 May 2008

Senator the Hon Kim Carr  
Minister for Innovation, Industry, Science and Research  
Parliament House  
Canberra ACT 2600  
AUSTRALIA

The Hon Lianne Dalziel  
Minister of Commerce  
Parliament Buildings  
Wellington  
NEW ZEALAND

Dear Ministers

I am pleased to submit to you the Statement of Corporate Intent for the Joint Accreditation System of Australia and New Zealand (JAS-ANZ) for the period 1 July 2008 to 30 June 2011.

Yours sincerely

A handwritten signature in black ink, appearing to be 'Mike Willing', written in a cursive style.

Mike Willing  
Chairman  
Joint Accreditation System of Australia and New Zealand (JAS-ANZ)

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## ABBREVIATIONS

APEC SCSC	APEC Sub-Committee on Standards and Conformance
APLAC	Asia Pacific Laboratory Accreditation Cooperation
EA	European co-operation for Accreditation
EMS	Environmental Management System
IAF	International Accreditation Forum
IANZ	International Accreditation New Zealand
ISO	International Organization for Standardization
ISO CASCO	ISO Committee on Conformity Assessment
MCAA	Multilateral Cooperative Accreditation Arrangement
MLA	Multilateral Recognition Arrangement
MRA	Mutual Recognition Arrangement
NATA	National Association of Testing Authorities
PAC	Pacific Accreditation Cooperation
QMS	Quality Management System
TBT	Technical Barriers to Trade
WTO	World Trade Organization

# 1. ABOUT JAS-ANZ

JAS-ANZ was established in 1991 by the Australian and New Zealand governments to strengthen the trading relationship between the two countries and with other countries. The *Agreement between Australia and New Zealand establishing the Governing Board, Technical Advisory Council and Accreditation Review Board of the Joint Accreditation System of Australia and New Zealand* (the JAS-ANZ Treaty) requires JAS-ANZ to operate a joint accreditation system and to deliver on four goals relating to Integrity and Confidence, Trade Support, Linkages, and International Acceptance.

The Treaty also established the scope of activity to be undertaken by JAS-ANZ and includes programs for management systems certification, product certification, personnel certification and inspection in Australia and New Zealand.

JAS-ANZ operates on a not-for-profit basis. Under the formal direction of a Governing Board, the Technical Advisory Council supports the development of policies and principles that underpin the operation of the joint accreditation system and the Accreditation Review Board oversees the granting, maintaining and withdrawal of conformity assessment bodies' accreditation.

JAS-ANZ has a secretariat of 19 staff to assist the Governing Board to fulfil its obligations.

JAS-ANZ recognises 72 public and private schemes over the following four program areas: management systems certification; product certification; personnel certification; and inspection. The schemes provide a level of confidence to support exchange of products and services across a wide range of industry sectors.

## Key Facts

Accreditation schemes	72 public and private schemes.
Principal schemes	Quality Management (ISO 9001), Environmental Management (ISO 14001), OH&S Management (AS/NZS 4801), Food Safety Management (Primesafe, ISO 22000).
Emerging programs	Greenhouse Gas Validation and Verification (ISO 14064).
Number of JAS-ANZ accredited certification and inspection bodies	58 (38 Australia/New Zealand, 20 off-shore).
Key markets	Australia, New Zealand, India, China, Korea, Turkey, Vietnam.
Regional and international recognitions	IAF MLA, PAC MLA, EA Certificate of Cooperation, APLAC MRA, MCAA.
Number of accredited certificates 2007/08	>50,000.

## Mission

To ensure that JAS-ANZ accreditation enhances national, trans-Tasman, and international trade to achieve international recognition for the excellence of Australian and New Zealand goods and services.

## Vision

JAS-ANZ will be the accreditation body of choice nationally, regionally and internationally.

## Goals

**Integrity and Confidence:** maintain a joint accreditation system that gives users confidence that goods and services certified by accredited bodies meet established standards.

**Trade Support:** obtain and maintain acceptance by Australia and New Zealand's trading partners for domestic management systems and exported goods and services.

**Linkages:** create links to relevant bodies that establish or recognise standards for goods and services or that provide conformity assessment.

**International Acceptance:** obtain mutual recognition and acceptance of conformity assessment with relevant bodies in other countries.

## Values

JAS-ANZ provides leadership in accreditation for Australia and New Zealand and is committed to:

### Integrity and trust

- Maintaining an ethical organisation that engenders trust and understanding with all stakeholders.
- Operating and communicating in a transparent manner.

### Professionalism

- Practicing good corporate governance and meeting all statutory requirements.
- Ensuring highly professional personnel and services.

### Creating value through our people

- Providing professional development.
- Encouraging innovation.
- Encouraging teamwork.
- Recognising the significant contributions of our staff and volunteers.

### Customer focus

- Recognising our treaty obligations to the community.
- Adhering to the technical obligations of our mutual recognition arrangements.
- Developing and maintaining relationships with our stakeholders.
- Implementing an effective communication strategy.

## 2. PURPOSE

A Statement of Corporate Intent (SCI) is provided to the governments of Australia and New Zealand in accordance with the JAS-ANZ Treaty. It forms part of the accountability framework under which JAS-ANZ operates to ensure that the organisation acts within terms consistent with the role and responsibilities set out in the JAS-ANZ Treaty.

The SCI includes the following information:

- a. the objectives of JAS-ANZ;
- b. the nature and scope of the activities to be undertaken;
- c. the performance targets and other measures by which the performance may be judged in relation to its objectives;
- d. the kind of information to be provided to the Australian Minister and the New Zealand Minister by JAS-ANZ during the course of those financial years;
- e. any activities for which the Governing Board seeks compensation from the Australian Minister and the New Zealand Minister (whether or not the Australian Minister or the New Zealand Minister have agreed to provide such compensation); and
- f. such other matters as are agreed by the Australian Minister and the New Zealand Minister and the Governing Board.

The SCI operates as a three-year rolling plan and is the basic control document for the organisation. It highlights specific activity for the 2008-09 financial year and presents a set of objectives that extend into the years 2009-2010 and 2010-2011.

In addition to providing a basis for accountability to stakeholders, it provides the basic framework for work plans by individual business units and staff.

## SCI Planning Model

The planning model for this SCI document follows the format of Treaty Goals, Strategies (3 to 5 year outlook), Objectives (1 to 3 year outlook), and Activities (1 year outlook).



### 3. CHAIRMAN'S INTRODUCTION

JAS-ANZ has reached a stage of maturity where it is financially stable, has an extensive customer base, and is supported by a dedicated and highly skilled staff. This maturity, together with the changing business environment in which it operates, provides JAS-ANZ with the opportunity to review its direction by reflecting on four critical questions:

- What does JAS-ANZ need to manage to satisfy financial performance expectations?
- How do its clients perceive JAS-ANZ?
- At what internal business processes must JAS-ANZ excel?
- How will JAS-ANZ sustain its ability to develop in a changing environment?

The responses to these questions are at the core of this Statement of Corporate Intent and are reflected in the eight objectives and associated activities which the SCI puts in place.

The principal influences that have shaped the activity described here start with the JAS-ANZ Treaty. We have drawn on market research activities and stakeholder discussions to align activities with external needs. We have also considered the wider environment in which we expect to operate during the term of the SCI and, in particular, the changes we observe in the delivery and use of accreditation and certification services.

From this analysis we have observed the following:

1. Although the market for management systems technology has reached a relatively stable plateau, it shows signs of demand for new, more diversified systems and approaches.
2. There is continuing and growing demand from industries, regulatory agencies and government service delivery agencies for systems that will support their operations.
3. Accreditation is developing as a truly global and competitive environment. Emerging economies such as China and India are strong sources of demand as Australian and New Zealand firms extend their engagement with these economies.

To address these issues, we have sought to establish a platform for the organisation from which it can:

- support the integration of domestic economies into regional and global settings;
- develop its business processes to ensure efficient and effective service; and
- improve its ability to adapt to the increasingly complex and globalised discipline of accreditation.

In establishing the budget to accompany this SCI, we have been mindful of the obligation to operate on a self-funding, not-for-profit basis.

The SCI does not in itself provide all the details of how these outcomes will be achieved. It does, however, identify a set of clear, relevant objectives and commits JAS-ANZ to a tight program of activity which will guide its continued growth so that it remains a leading global accreditation body.

Mike Willing  
Chairman  
Joint Accreditation System of Australia and New Zealand (JAS-ANZ)

## 4. TREATY GOALS AND STRATEGIES

The Treaty Goals reflect the intention of JAS-ANZ's principal stakeholders in establishing the organisation and they remain a valid foundation for the direction of the organisation. The strategies outlined below will assist JAS-ANZ achieve its Treaty Goals.

### A. Integrity and Confidence

**JAS-ANZ Treaty Goal:** To maintain a joint accreditation system that will give users confidence that goods and services certified by accredited bodies meet established standards.

Confidence is one of the enabling values of accreditation.

Accreditation delivers important information to markets. Those organisations which JAS-ANZ accredits as competent and impartial provide certificates which attest to the performance and quality of goods, services, personnel and systems across all sectors of the economy. JAS-ANZ operates at the peak of a system which reduces transaction costs, distance and information asymmetries in a world of complex transactions and products. Through its programs, JAS-ANZ contributes to important societal aims and business productivity.

JAS-ANZ will achieve this goal by:

- A1. Maintaining an accreditation system that is at the forefront of conformity assessment trends and that adapts to shifting market needs.**
- A2. Delivering conformity assessment programs that offer a demonstrated value (benefit) proposition.**
- A3. Operating secondary business processes which are efficient, effective and appropriate to its mission.**

### B. Trade Support

**JAS-ANZ Treaty Goal:** To obtain and maintain acceptance by Australia's and New Zealand's trading partners for domestic management systems and exported goods and services.

Well-structured conformity assessment mechanisms support the flow of goods and services.

JAS-ANZ works within an international framework under the World Trade Organization (WTO) technical barriers to trade (TBT) arrangements which support the flow of goods and services through the elimination of TBT. The JAS-ANZ accreditation framework provides conformity assessment options that are recognised internationally as being consistent with WTO principles and which support good regulatory practice and market acceptance.

During government-to-government negotiations, JAS-ANZ's expertise in conformity assessment enables it to support analysis of technical conditions that govern market entry. Trade support is also delivered through the Linkages and International Acceptance goals, which have given rise to institutional ties with accreditation bodies from a number of Australia's and New Zealand's major trading partners.

JAS-ANZ will achieve this goal by:

- B1. Providing timely and expert technical advice on conformity assessment matters in support of trade facilitation initiatives by the Australian and New Zealand governments.**

### C. Linkages

**JAS-ANZ Treaty Goal:** To link with relevant bodies which establish or recognise standards for goods and services or which provide conformity assessment.

Linkages provide the channels for JAS-ANZ to maintain a world-class system of accreditation. Through these linkages JAS-ANZ can influence outcomes in international and national standards and guidance on conformity assessment so that Australian and New Zealand interests are not at a disadvantage. As a leading provider of accreditation programs, JAS-ANZ can work within these forums to ensure that accreditation develops in a responsive, client-focussed direction.

JAS-ANZ will achieve this goal by:

**C1. Improving JAS-ANZ's reputation as a leading accreditation body by participating in those standardisation bodies and accreditation body associations which influence most directly its operating environment.**

**C2. Creating alliances with other providers of accreditation services, and related bodies.**

## **D. International Acceptance**

**JAS-ANZ Treaty Goal:** To obtain mutual recognition and acceptance of conformity assessment with relevant bodies in other countries.

Mutual Recognition Arrangements/Multilateral Recognition Arrangements (MRAs/MLAs) deliver a systematic framework for acceptance of conformity assessment results between trading nations.

JAS-ANZ has achieved regional and international recognition for a number of programs, including:

- IAF MLA member for QMS, EMS, Product Certification.
- PAC MLA member for QMS, EMS, Product Certification.
- EA Contract of Cooperation for EMS, Product Certification.
- APLAC MRA for Inspection.

JAS-ANZ will continue to maintain existing MRAs and develop new arrangements with emerging national and international stakeholders.

JAS-ANZ will achieve this goal by:

**D1. Establishing and servicing MRAs that will ensure national and international confidence in the outcomes of conformity assessment.**

**D2. Strengthening trading relations by enhancing the acceptance and value of JAS-ANZ services in other countries.**

## 5. OPERATING ENVIRONMENT 2008-2011

Over a period of 15 years JAS-ANZ has established a robust accreditation system and a leading reputation among other national accreditation bodies. This has resulted in the delivery of conformity assessment services that have supported acceptance of Australian and New Zealand systems, personnel, goods and services by key trading partners.

Accredited certification and inspection schemes can be applied to a wide range of activities that would benefit from evaluation by a competent and impartial party.

JAS-ANZ has delivered programs and schemes that support broad international objectives such as quality and environmental management as well as specific domestic programs serving areas such as human services in health and disability access. Such programs highlight the important role that accreditation plays in enabling all types of transactions between business, government and citizens.

The environment in which JAS-ANZ operates is dynamic and demanding. Now, JAS-ANZ faces a number of significant pressures and is confronted by demands for change on several fronts.

### Key Drivers in JAS-ANZ's Operating Environment

#### Political

- De-regulatory trends in government create opportunities for new accreditation schemes to fill confidence gaps.
- The public sector basis of many accreditation bodies contributes to conservative processes.
- The EU remains a significant voting bloc for shaping the direction of accreditation.

#### Economic

- The international and domestic outlook for accredited certification remains strong.
- The domestic demand for accreditation from new applicant bodies is strong.
- Demands for global accreditation services are emerging.

#### Social

- Consumers are becoming more cynical and their rejection of marketing claims is growing.
- There is increased disconnection between consumers and suppliers under the influence of global trade.

#### Technical

- Accreditation systems are growing more complex and must be able to handle and manipulate increasing amounts of economic and technical data.
- The number of schemes is increasing.

#### Environmental

- Demands for validation and verification tools to support environmental outcomes are increasing.

#### Legal

- The legal environment is becoming more complex.
- New services (value-adding) need to be balanced effectively against the constraints of accreditation rules.

The drivers identified above pose a number of opportunities and risks for JAS-ANZ. The outlook is encouraging. There are opportunities for new schemes and continuing demand for accreditation by new applicant bodies.

JAS-ANZ continues to participate in international bodies that shape the future of accreditation, and is also sought out by accreditation bodies in the region to help build their capacity. The emergence of demand for global accreditation services by multinational certification bodies is also evident. The demand for accredited certification and inspection remains strong although it may be liable to impact from any general economic downturn.

To some extent JAS-ANZ's business processes have been overtaken by the level of demand for service and the organisation needs to develop its operations to address changing expectations.

These challenges are operational, not strategic. They require the organisation to develop new approaches and tools to deliver accreditation services. The JAS-ANZ secretariat and body of volunteers are well placed to tackle these challenges. The benefits will not accrue to JAS-ANZ alone, but will extend to the wide range of public and private initiatives that draw upon accredited conformity assessment to facilitate the exchange of goods and services nationally, regionally and globally.

## 6. OBJECTIVES 2008-2011

The following objectives specify the outcomes to be achieved over the term of this SCI. They have been framed around the treaty goals and strategies as well as an assessment of the operating environment to provide a more specific statement of intentions for 2008-11.

The objectives are important for preparing JAS-ANZ to operate in a more openly competitive and global environment. For each goal and strategy, the objectives outline the areas of focus.

Goal	Strategy	Objective
A. Integrity and Confidence	A1. Maintaining an accreditation system that is at the forefront of conformity assessment trends and that adapts to shifting market needs.	1. To complete a re-engineering of JAS-ANZ's business processes in order to build a more robust and adaptable organisation that can respond to emerging pressures for: <ol style="list-style-type: none"> <li>more efficient processes;</li> <li>client focus in service delivery;</li> <li>more uniform performance of assessment activity; and</li> <li>domestic, regional and global accreditation services.</li> </ol>
	A2. Delivering conformity assessment programs that offer a demonstrated value (benefit) proposition.	2. To develop and apply business development tools and methods to support program development under the joint discipline of a clear business benefit and national benefit.
	A3. Operating secondary business processes which are efficient, effective and appropriate to JAS-ANZ's mission.	3. To improve JAS-ANZ's secondary business processes in order to: <ol style="list-style-type: none"> <li>strengthen JAS-ANZ's capacity to deliver services domestically, regionally and globally; and</li> <li>overcome the challenges associated with operating as a distributed organisation.</li> </ol>
B. Trade Support	B1. Providing timely and expert technical advice on conformity assessment matters in support of trade facilitation initiatives by the Australian and New Zealand governments.	4. To ensure JAS-ANZ's accreditation programs and schemes keep pace with modern conformity assessment trends and overcome technical barriers to trade.
C. Linkages	C1. Improving JAS-ANZ's reputation as a leading accreditation body by participating in those standardisation bodies and accreditation body associations which influence most directly its operating environment.	5. To expand JAS-ANZ's capacity in international standards and accreditation forums to: <ol style="list-style-type: none"> <li>deliver high-quality input; and</li> <li>influence the development of conformity assessment tools.</li> </ol>

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	C2. Creating alliances with other providers of accreditation services, and related bodies.	6. To develop and utilise key alliances that will lead to: a. more effective domestic programs and services; and b. better understanding of its global and regional position, and options for ongoing improvement.
D. International Acceptance	D1. Establishing and servicing MRAs that will ensure national and international confidence in the outcomes of conformity assessment.	7. To maintain and extend mutual recognition and acceptance of conformity assessment.
	D2. Strengthening trading relations by enhancing the acceptance and value of JAS-ANZ services in other countries.	8. To maintain, protect and expand existing markets and develop new ones.

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## 7. ACTIVITIES 2008-2011

For each of the objectives for 2008-11, the following activities will be carried out.

### Objective 1: Business Re-engineering

*To complete a re-engineering of JAS-ANZ's business processes in order to build a more robust and adaptable organisation that is able to respond to emerging pressures for:*

- a. more efficient processes;*
- b. client focus in service delivery;*
- c. more uniform performance of assessment and audit activity; and*
- d. domestic, regional and global services.*

Accreditation service delivery must be consistent with the needs of the markets, public services and consumers that the organisation aims to serve; otherwise the value of conformity assessment is likely to be diminished. Part of efficient and effective delivery is ensuring that JAS-ANZ has adequate resources that are not overcommitted to an excessive number of programs. To minimise this risk, JAS-ANZ will expand its technical services unit to offer a range of ancillary services to organisations seeking to develop accreditation activities that JAS-ANZ may be unable to deliver.

The intended outcome is that JAS-ANZ will develop a strong client services culture motivated by the understanding that the delivery of the organisation's services affects the capacity of others to generate business and deliver services.

The proposed actions to achieve this objective are:

Activity	Target Completion
1.1 Restructure the Technical Advisory Council as the key advisory body to the Governing Board on matters relating to the joint accreditation system.	December 2008
1.2 Complete a comprehensive review (Application processing to Witnessing), and implementation of improvements to primary processes for delivery of accreditation services.	June 2009
1.3 Remodel and publish accreditation procedures and policies to make them more accessible and usable for managing the accreditation system.	December 2009
1.4 Develop the Technical Services business unit to provide support to domestic industries, regulators, government delivery agencies and other organisations that require support to implement accreditation programs.	December 2009
1.5 Deliver a professional development program to improve the performance of certification body auditors.	June 2010

## Objective 2: Invest in Business Development

*To develop and apply business development tools and methods to support program development under the joint discipline of a clear business benefit and national benefit.*

Accreditation is a specialised discipline that conveys important messages to markets about the performance of products, personnel and systems. Efficiency and effectiveness start with the design and planning of new schemes and extend to how JAS-ANZ delivers those schemes as well as ancillary technical services.

A refined approach to business development is an essential primary process to help the organisation identify and respond to emerging areas for new program development.

JAS-ANZ will:

- deploy a business development methodology which will support program development, lifecycle management and the emergence of new services; and
- establish a more focussed set of key schemes based on a dual business and national benefit case.

The proposed actions to achieve this objective are:

Activity	Target Completion
2.1 Define and describe business development model and tools to be applied by JAS-ANZ.	September 2008
2.2 Existing program and new proposals assessed against business and national benefit criteria.	June 2009
2.3 Complete analysis of program opportunities identified in market research.	December 2009

## Objective 3: Improve Secondary Business Processes

*To improve JAS-ANZ's secondary business processes in order to:*

- a. *strengthen JAS-ANZ's capacity to deliver services domestically, regionally and globally; and*
- b. *overcome the inherent difficulties associated with operating as a distributed organisation.*

A high level of professionalism in secondary business processes is essential if JAS-ANZ is to become the accreditation service of choice. These key services include management, financial, communications, human resources, and development.

Accreditation is a knowledge-based activity. JAS-ANZ's capacity to deliver depends not only on understanding its own discipline, but also the conditions of the social, economic and regulatory environments in which its activities are targeted. Without a disciplined and organised approach to managing and developing its knowledge base, JAS-ANZ will find it increasingly difficult to deliver a high level of service and innovation. In 2008, JAS-ANZ will implement a formal management function for learning and development which will support development of internal capacity to work in a more complex, global context.

JAS-ANZ will:

- develop a more sophisticated and service-oriented information system that will capture the organisation's procedures, guidelines, decisions, and precedents as a coherent body of knowledge; and
- build a more robust set of secondary business processes that will enable JAS-ANZ to respond more effectively to opportunities.

The proposed actions to achieve this objective are:

Activity	Target Completion
3.1 Complete development of the following essential systems and procedures: <ul style="list-style-type: none"> <li>• complaints handling (10002);</li> <li>• risk management plan and mitigation strategies;</li> <li>• contract administration;</li> <li>• project management methodology; and</li> <li>• OH&amp;S management.</li> </ul>	December 2008
3.2 Design and deploy an information infrastructure to support: <ul style="list-style-type: none"> <li>• better management of accreditation requirements;</li> <li>• improved interaction with clients; and</li> <li>• effective remote working by staff.</li> </ul>	December 2009
3.3 Develop a financial model and performance targets which balance the following key criteria: <ul style="list-style-type: none"> <li>• not-for-profit, cost recovery;</li> <li>• maximising the take up of JAS-ANZ accredited certificates; and</li> <li>• minimising the cost barriers to key programs.</li> </ul>	June 2009
3.4 Implement a Communications Plan that will: <ul style="list-style-type: none"> <li>• promote the value of accredited conformity assessment; and</li> <li>• enhance JAS-ANZ's understanding of its stakeholders.</li> </ul>	June 2009
3.5 Implement a learning and development strategy that: <ul style="list-style-type: none"> <li>• supports the organisation's goals; and</li> <li>• encourages individual development.</li> </ul>	December 2008
3.6 Develop a Human Resources plan for: <ul style="list-style-type: none"> <li>• staffing needs; and</li> <li>• succession.</li> </ul>	September 2008

## Objective 4: Trade Support Measures

*To ensure JAS-ANZ's accreditation programs and schemes keep pace with modern conformity assessment trends and overcome technical barriers to trade.*

Accredited conformity assessment is becoming a more widely accepted method of overcoming technical barriers to trade. JAS-ANZ supports overcoming technical barriers to trade by ensuring JAS-ANZ accreditation programs and schemes keep pace with modern conformity assessment trends. To further assist reciprocal acceptance of manufactured goods and services between Australia New Zealand and their respective trading partners, JAS-ANZ will develop and maintain appropriate networks with international colleagues.

The intended outcome is that JAS-ANZ will deliver to its principal stakeholders authoritative advice on conformity assessment, relevant to trade initiatives and regulatory management, and supported by access to JAS-ANZ's network partners.

The actions to achieve this objective are:

Activity	Target Completion
4.1 Provide technical and organisational support to the Pacific Accreditation Cooperation under APEC trade facilitation measures.	Ongoing
4.2 Participate in relevant trade discussions, such as WTO, APEC, ASEAN-CER as invited by the Australian and New Zealand governments and monitor government announcements.	As requested
4.3 Develop and maintain appropriate networks through participation in IAF, PAC, EA, APLAC, APEC SCSC, NZ Regulators Forum.	Ongoing

## Objective 5: Expand International Influence

To expand JAS-ANZ's capacity in international standards and accreditation forums to:

- deliver high-quality input; and
- influence the development of conformity assessment tools.

JAS-ANZ will continue to maintain signatory status with the peak international accreditation associations such as the International Accreditation Forum (IAF), and associated regional accreditation body associations. Over the term of this statement, JAS-ANZ will work as an advocate for uniformity and global outcomes over regional and national differences and for the 'certified once, accepted everywhere' principle.

The organisations JAS-ANZ will commit to working with over the course of this SCI, and the work areas that will be pursued, are:

Organisation	Work Areas
<b>International Accreditation Forum (IAF)</b>	New program development, guidance on the conduct and development of accreditation, trade facilitation, peer evaluation.
<b>Pacific Accreditation Cooperation (PAC)</b>	Regional MLA, provide capacity building assistance, peer evaluation.
<b>European cooperation for Accreditation (EA)</b>	Engagement with single major accreditation bloc, guidance on the conduct and development of accreditation.
<b>Asia Pacific Laboratory Accreditation Cooperation (APLAC)</b>	Inspection programs.
<b>Multilateral Cooperative Accreditation Arrangement (MCAA)</b>	Harmonisation of accreditation systems, reduce assessment costs through technical cooperation, benchmarking.
<b>ISO CASCO</b>	Product certification, guide and influence development of conformity assessment standards.

The intended outcome is that JAS-ANZ will promote the convergence of policies and practices across these organisations to strengthen their influence in trade facilitation and their capacity to deliver accreditation programs in response to market needs.

The actions to achieve this objective are:

Activity	Target Completion
5.1 Develop a work plan with budget and resource details to enhance JAS-ANZ's capacity to work in, and benefit from, ISO, CASCO, IAF, PAC, EA and APLAC.	Ongoing
5.2 Ensure that both JAS-ANZ and JAS-ANZ accredited conformity assessment bodies continue to comply with appropriate international standards.	Ongoing

## Objective 6: Develop Alliances

*To develop and utilise key alliances that will lead to:*

- a. *more effective domestic programs and services; and*
- b. *a better understanding of JAS-ANZ's global and regional position, and options for ongoing improvement.*

Domestically, JAS-ANZ will pursue a Memorandum of Understanding (MOU) with IANZ and NATA, under which the organisation will begin examination of joint programs and implement streamlined processes where there is a demand for analytical testing and other forms of conformity assessment accreditation. Other areas that will be pursued under the MOU are training and skills development.

As well as the formal global and regional conformance infrastructures such as IAF and PAC, JAS-ANZ will pursue relationships with other accreditation bodies as a way to improve services and outcomes for clients. A key relationship is the Multilateral Cooperative Accreditation Arrangement (MCAA) which includes accreditation bodies in the USA, Canada, Mexico, Japan Taiwan and Sth Korea. JAS-ANZ's principal aims during this three-year period are to implement a formal benchmarking program to establish comparative measures for performance among accreditation bodies and with best-of-class service delivery agencies.

The intended outcome is that JAS-ANZ will draw on these alliances to develop leading practices in accreditation, and to achieve an increased capacity to provide services regionally and globally.

The actions to achieve this objective are:

Activity	Target Completion
6.1 Complete cooperation memorandum with IANZ and NATA.	September 2008
6.2 Complete development of a benchmarking program and commence first round.	June 2009

## Objective 7: Maintain and Extend Mutual Recognition

*To maintain and extend mutual recognition and acceptance of conformity assessment.*

Mutual Recognition Arrangements (MRAs) assist in eliminating technical barriers to trade by reducing dependence on inspection or certification at the point of entry and the associated costs and delays. Each MRA/MLA involves an in-depth peer evaluation review of JAS-ANZ's procedures to ensure they meet the requirements of the prospective MRA/MLA partners.

The intended outcome is that JAS-ANZ will make the greatest possible use of MRAs and MLAs to offer a comprehensive range of accreditation services to support trade in inbound and outbound goods and services.

The actions to achieve this objective are:

Activity	Target Completion
7.1 Review the scope of accreditation services and initiate follow-up action to extend MRA scope.	June 2009
7.2 Satisfy all obligations related to peer evaluations and maintaining MRA/MLA signatory membership.	Ongoing

## Objective 8: Market Focus

*To maintain, protect and expand existing markets and develop new ones.*

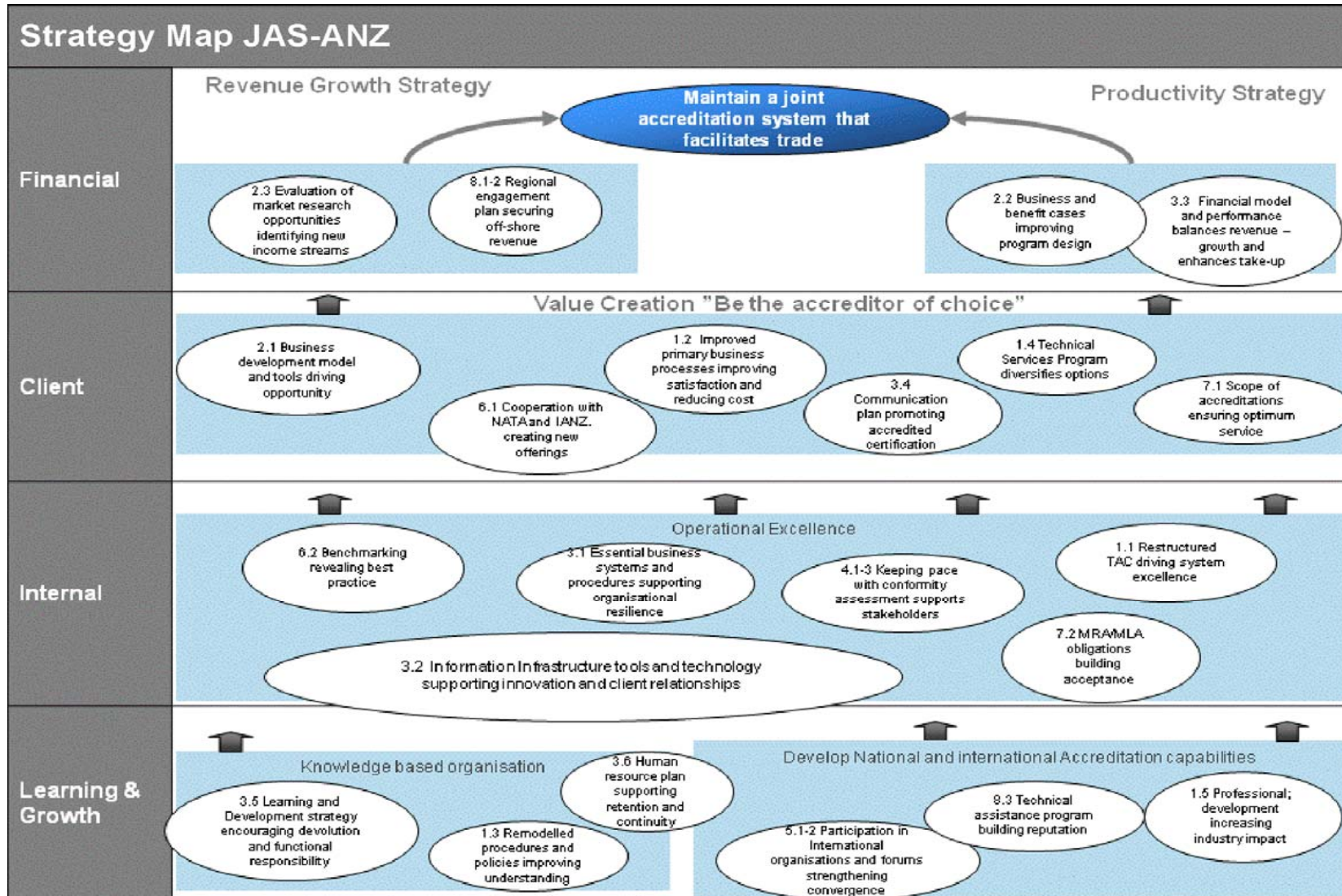
JAS-ANZ was established to provide accreditation services in Australia and New Zealand. The globalisation of trade and industry has created an environment in which accreditation is also a traded service. JAS-ANZ's strong position among global accreditation bodies has created opportunities for services to be provided in off-shore markets. This provides real benefits to both New Zealand and Australia in their respective trade negotiations, and in opening up opportunities for domestic firms to trade into and out of third countries, in particular India, China, Vietnam, South Korea and Turkey.

The intended outcome is that JAS-ANZ will be better equipped to provide accreditation and technical services in overseas markets and that it will have the tools to assess future opportunities for off-shore service delivery that is balanced against the obligation to provide accreditation services for Australia and New Zealand.

The actions to achieve this objective are:

Activity	Target Completion
8.1 Develop and apply tools for assessing international business opportunities.	March 2009
8.2 Prepare a revised plan for regional engagement.	March 2009
8.3 Technical assistance program for accreditation bodies in developing economies.	Ongoing

# 8. JAS-ANZ STRATEGY MAP (SCI 2009-11)



## 9. PERFORMANCE AREAS 2008-11

Below are the principal areas on which JAS-ANZ must focus on to demonstrate achievement against the Objectives and Activities set out in this Statement.

	Activity	Performance Areas
<b>Financial</b>	2.2 Evaluation of programs against business and benefit case	Improved program development providing both appropriate returns and value
	2.3 Market research evaluation	Viable new programs developed from opportunity identification.
	3.3 Financial model and performance	Revenue matches expenditure with a surplus in the range of 4-6%.
		Debtors level maintained at general commercial practice levels.
8.1-2 Regional engagement	Regional strategy satisfies risk management and commercial management tests.	
<b>Client</b>	1.2 Primary business processes	Primary processes delivered within performance targets.
		Satisfaction rating obtained in annual client services index.
		Performance against client services charter terms.
	1.4 Technical services program	Number of projects generated by technical services initiative.
		Technical services to grow (3% of revenue in 2008 to 6% of revenue in 2009 to 10% of revenue in 2010)
	2.1 Business development model	Number of program opportunities identified and assessed against criteria.
	3.4 Communications plan	Communications plan developed and implemented.
	6.1 Cooperation with IANZ and NATA	Memorandum completed and collaborative activity under way.
7.1 Review scope of accreditation services	Review complete and follow up action under way.	

<b>Internal</b>	1.1 Technical Advisory Council	Project outcomes accepted by TAC.
	3.1 Business systems	Successful audit of documented systems.
		Number of improvement options implemented from complaints process.
	3.2 Information Systems	Level of improvement delivered to business processes and operations.
	3.2 Information infrastructure	Simplification and increased efficiency of business processes.
	4.1-3 Keeping pace with conformity assessment	Contributions to, and attendance at, PAC, IAF.
	6.2 Benchmarking program	Benchmarking program complete and first round commenced.
7.2 Maintain MLA/MRA signatory status	All obligations to maintaining status have been satisfied.	
<b>Learning and Innovation</b>	1.3 Procedures and policies	User satisfaction with revised policies and procedures.
	1.5 Professional development for auditors	Reported progress in developing measures.
		Strategy accepted by Board.
	3.5 Learning and development	Completion of learning and development plans.
		Internal training delivered on market and regulatory conditions in key programs.
		Succession plans completed.
	3.6 Human Resources	% of employees satisfied with organisational values, culture and support.
5.1-2 International organisations	Number and impact of contributions to international bodies.	
8.3 Technical assistance program	Responsiveness to requests for assistance.	

## 10. FINANCIAL PLAN

JAS-ANZ has maintained effective financial management as an unfunded, not-for-profit, fee-for-service organisation. The introduction of new revenue producing schemes, additional CABs and continued growth of certificates has resulted in regular operating surpluses to enable further investment in accreditation services.

In 2007-08 a deficit was projected. As the financial year draws to a close, JAS-ANZ anticipates that the deficit for the year will be less than 40% of the projected deficit. This has been achieved mainly through the successful delivery of Technical Services and a number of spending controls.

The forecast financial performance for 2008-2009 is expected to return a deficit. The general outline of projected financial performance for 2008-09 is:

ITEM	PROPOSED BUDGET 2008-09 (AUD)
<b>Operating revenue</b>	
Trading Income - Programs	2,657,240
Direct Costs Recovered	1,219,904
Trading Income - Other	468,000
Total Revenue	4,345,144
Cost Of Sales	682,212
Gross Profit	3,662,932
<b>Expenses</b>	
1 Finance	179,000
2 Marketing and Communications	213,000
3 Office and Amenities	240,000
4 Operations	185,100
5 Learning and Development	135,000
6 Travel and Accommodation	285,000
7 Rent and Occupancy	188,536
8a Employment and Payroll	
Salaries Total	2,265,186
Superannuation Total	148,930
Total Other Employment and Payroll	46,500
TOTAL employment and payroll	2,460,616
TOTAL ALL EXPENSES	3,886,252
OPERATING SURPLUS	- 223,320

The budget for 2008/09 is based on the assumption that activity for the year will reflect broadly similar patterns to 2007/08. The projected deficit is based on a very conservative estimate of revenue from areas such as technical services and the activity of new applicant bodies.

During 2008-2009 it is anticipated that expenditure proposals will be developed to build JAS-ANZ's capacity in a number of areas. The Board will consider any such proposals for funding from the current retained surplus.

As part of JAS-ANZ's capacity-building efforts over the coming year, it will undertake a thorough evaluation of its financial model to ensure that income and costs are more predictable and manageable.

## 11. INFORMATION TO BE PROVIDED

### **Other matters**

There are no other matters that the Governing Board considers necessary to be brought to the attention of the Australian Minister or the New Zealand Minister.

### **Compensation**

There are no activities for which the Governing Board seeks compensation from the Australian Minister or the New Zealand Minister.

# ANNEX 1: SUMMARY OF OBJECTIVES, ACTIVITY AND 2008/2009 MILESTONES

Goal	Strategy	Objective	Activity	Milestones 2008/09	
A. Integrity and Confidence	A1. Maintaining an accreditation system that is at the forefront of conformity assessment trends and that adapts to shifting market needs.	To complete a re-engineering of JAS-ANZ's business processes in order to build a more robust and adaptable organisation that can respond to emerging pressures for:	1.1 TAC Review	09/08	Completion of proposal
				12/08	Structure implemented
			1.2 Primary process review	09/08	Scoping paper completed
				12/08	Client Services Charter
				06/09	Description of redesigned process completed
	a. more efficient processes;	1.3 Policies and Procedures	06/09	Accreditation procedures and policies captured in knowledge management tool	
	b. client focus in service delivery;	1.4 Technical services program	06/09	Complete study of market needs and opportunities	
	c. more uniform performance of assessment and audit activity; and		12/09	Expanded services on offer	
	d. domestic, regional and global accreditation services.	1.5 Professional development program for auditors	12/08	Establish working group under TAC to develop options	

A2. Delivering conformity assessment programs that offer a demonstrated value (benefit) proposition.	To develop and apply business development tools and methods to support program development under the joint discipline of a clear business benefit and national benefit	2.1 Business Development model	09/08	Proposal demonstrating tools and methods presented to Board
		2.2 Existing and New Program evaluation	06/09	All program proposals undergo evaluation
		2.3 Market research	12/08 12/09	Commence analysis of market research opportunities Complete analysis
A3. Operating secondary business processes which are efficient, effective and appropriate to JAS-ANZ's mission	To improve JAS-ANZ's secondary business processes in order to:  a. strengthen its capacity to deliver services domestically, regionally and globally; and  b. overcome the challenges associated with operating as a distributed organisation.	3.1 Essential systems and procedures	12/08	Systems and procedures finalised Risk management mitigation plan submitted to Board
			12/08	Project management and contract administration training
		3.2 Information infrastructure	09/08	Requirements documentation completed
			12/08	Implementation plan completed
			01/09	Implementation commences
			12/09	Completion
		3.3 Financial model	12/08	Options paper presented to Board
			06/09	Preferred option implemented
		3.4 Communications plan	06/08	Plan accepted
			06/09	Completed
	3.5 Learning and development	12/08	Learning and development strategy submitted to Board	

			3.6 Human resources	09/08	Staffing and succession plan completed
B. Trade Support	B1. Providing timely and expert technical advice on conformity assessment matters in support of trade facilitation initiatives by the Australian and New Zealand governments.	To ensure JAS-ANZ accreditation programs and schemes keep pace with modern conformity assessment trends and overcome technical barriers to trade	4.1 Technical assistance	Ongoing	-
			4.2 Trade discussions	As requested	-
			4.3 Networks	Ongoing	Attendance at Plenary and technical meetings
C. Linkages	C1. Improving JAS-ANZ's reputation as a leading accreditation body by participating in those standardisation bodies and accreditation body associations which most directly influence its operating environment.	To expand JAS-ANZ's capacity in international standards and accreditation forums to:	5.1 Engagement plan	09/08	Develop work plan ISO 17007 published
			5.2 Compliance with standards	10/09	Successful outcome of Peer evaluation by PAC, APLAC and EA
	C2. Creating alliances with other providers of accreditation services, and related bodies.	To develop and utilise key alliances that will lead to:	6.1 IANZ and NATA MOU	09/08	Complete MOU with both organisations
			6.2 Benchmarking	03/09 06/09	Define benchmarking project First phase with ABs under way
		a) more effective domestic programs and services; and b) better understanding of its global and regional position and options for ongoing improvement.			

D. International Acceptance	D1. Establishing and servicing MRAs that will ensure national and international confidence in the outcomes of conformity assessment.	To obtain and extend mutual recognition and acceptance of conformity assessment.	7.1 Scope of accreditation	06/09	Complete Review scope of accreditations
			7.2 MLA signatory status	Ongoing	Completion of peer review cycle and related obligations
	D2. Strengthening trading relations by enhancing the acceptance and value of JAS-ANZ services in other countries.	To maintain, protect and expand existing markets and develop new ones.	8.1 Assessment tools	09/08	Complete assessment method
				03/09	Complete review and reassessment of existing markets
				03/09	Proposals submitted to Board
			8.2 Engagement plan	09/08	Plan submitted to Board
03/09	Contracting and related measures implemented				
		8.3 Technical assistance for ABs	Ongoing	-	