



**Ministry of Business,  
Innovation & Employment**

**Standards and Conformance  
Infrastructure Review**

**Proposals to enhance the delivery  
of Standards by New Zealand's  
national standards body**

**Discussion Document**

**March 2013**

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# Contents

<b>Introduction</b>	<b>4</b>
Purpose	4
The MBIE review	4
How to have your say	4
What happens next	4
Contacts	4
<b>Section 1: Current Situation</b>	<b>5</b>
Importance of Standards and the national standards body	5
The case for change	5
Building Standards and the Canterbury Earthquakes Royal Commission	6
<b>Section 2: Proposals for the delivery of New Zealand Standards (NZS)</b>	<b>7</b>
Summary of proposals	7
Proposal to increase MBIE's policy effort	7
Proposal to enable other entities to develop New Zealand Standards (NZS)	8
Proposal to change the institutional arrangements of the NSB	9
<b>Section 3: Unique value and distinctive functions of the NSB</b>	<b>11</b>
<b>Section 4: Functions of the Standards board as part of the NSB</b>	<b>12</b>
<b>Section 5: How the Standards Board should perform its functions</b>	<b>14</b>
Part A: Criteria for approving SDOs	14
Part B. Criteria for approving NZS	16
Part C. Maintenance of the NZS catalogue	17
<b>Section 6: Other opportunities to improve the standards process</b>	<b>19</b>
<b>Section 7: Opportunities and risks arising from institutional options</b>	<b>21</b>
<b>Feedback form</b>	<b>23</b>

# Introduction

## Purpose

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The Ministry of Business, Innovation and Employment (MBIE) is seeking feedback on proposals to enhance the delivery of Standards by New Zealand's national standards body (NSB).

The discussion document informs potential submitters about the current situation in [Section 1](#), and asks a series of questions about proposals for the delivery of Standards. These proposals are summarised in [Section 2](#).

## The MBIE review

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The proposals in this discussion document result from the 2012 Standards and Conformance Infrastructure Review carried out by officials from the former Ministry of Economic Development (now MBIE). Officials have been working closely with the Standards Council throughout the review.

The purpose of the review was to develop proposals for a viable and well-functioning standards system that meets the needs of firms, regulators and consumers into the foreseeable future. The Terms of Reference for the review can be found at <http://www.med.govt.nz/business/standards-conformance/pdf-docs-library/Standards-Conformance-Review-2012-Terms-of-Reference.pdf>.

## How to have your say

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Please make your submissions **online** if possible, to this address:

<https://www.surveymonkey.com/s/WMFSLD3>

Written submissions will also be accepted, using the feedback form appended to this document. Questions to prompt consideration are also included in the document following an outline of each proposal. Submissions to some or all of the questions are welcome.

The consultation process runs until 26 April 2013.

All submissions are subject to the Official Information Act 1982.

## What happens next

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At the end of the consultation period, MBIE will analyse the submissions received and report to Ministers for them to make decisions.

Some of the proposals might require legislative change – this will provide further opportunity for public input through the select committee process.

## Contacts

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If you require further information, please email [standards@med.govt.nz](mailto:standards@med.govt.nz).

# Section 1: Current Situation

## Importance of Standards and the national standards body

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Standards make an important contribution to economic growth and health and safety. Standards promote innovation, facilitate international trade and enable firms to leverage their competitive advantage. Many Standards are also designed to increase safety or manage risk.

The Standards Council is New Zealand's national standards body (NSB). The Council is an autonomous Crown entity established under the Standards Act 1988. Its primary functions are to develop and promote Standards in New Zealand. The Council performs these functions through its operating arm, Standards New Zealand.

The Standards Council is the sole developer of Standards that are designated 'New Zealand Standards' (NZS). NZS are credible and authoritative because they are produced in accordance with internationally-recognised processes and criteria from the International Organisation for Standardisation (ISO) and International Electrotechnical Commission (IEC).

The NSB is a key component of the broader standards system, which comprises standards produced by other entities including regulators, trans-Tasman bodies such as Food Standards Australia New Zealand (FSANZ), industry organisations, non-government standards bodies, and firms.

For example, FSANZ is a bi-national government agency whose responsibility is to develop and administer the Australia New Zealand Food Standards Code, which lists requirements for foods such as additives, food safety, labelling and genetically modified foods. Outside of government, private standards have become more important in international trade, and include standards produced by retailers which suppliers have to comply with.

Standards can support a more productive, innovative and competitive economy in several ways. Standards help facilitate the creation and diffusion of technology by codifying information on better ways to make products and carry out processes. The government and firms can help boost exports by ensuring that New Zealand standards are internationally aligned with those of our key trading partners. Standards can also help contribute to a healthier and safer society by providing 'how to' guidance documents which clarify and communicate regulatory requirements to firms and employers.

## The case for change

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The MBIE review concluded that the Standards Council is not financially sustainable in the medium to long-term within its current business model and given its operating environment. The Council agreed with this conclusion. This means that change is needed to the current NSB model, settings and institutional arrangements.

The Council's revenue is dependent on a number of key clients and key NZS which are incorporated in regulation. The Council has done well in reducing its operating costs in recent years. However, the main cost savings opportunities have now been exhausted and a sizeable proportion of fixed costs (e.g. salaries) still need to be recovered.

The ability to achieve financial sustainability has become even more challenging in recent years given that the operating environment for the Council has changed significantly and has become more difficult over time.

The market conditions for standards are deteriorating, with clients who commission standards becoming increasingly price-sensitive and there being increased competition from other standards providers. Some clients who commission NZS are seeking faster-developed and lower-cost NZS which better meet their needs. Other clients are satisfied with current processes. All agree on the need for a robust, independent NZS development process that provides users ready access to NZS and associated documents.

Some regulators are turning to alternatives such as guidelines and how-to documents, which can be produced in-house or by providers other than the Council. This is due to a range of factors, including the need to have control over policy elements of a NZS that should more appropriately sit with the regulator, the extent to which a NZS is fit for the intended regulatory purpose, timeliness and cost. Regulators are seeking to have the NZS development process more closely aligned with Cabinet requirements for regulatory impact analysis, e.g. a clear problem definition and assessment of costs and benefits.

At the same time, the Council's data shows that regulator use of NZS (e.g. incorporation by reference in technical regulation) has increased very significantly but this trend has not been matched with a corresponding increase in funding for the NSB. Where NZS are referenced in regulation, there is an emerging resistance to paying for NZS documents because there is a growing international perception that access to the law should be free.

In summary, the challenges in the operating environment and its current business model mean that change is required to ensure that New Zealand's NSB is able to sustainably and more effectively deliver on its unique value and functions.

## **Building Standards and the Canterbury Earthquakes Royal Commission**

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The building and construction sector is a major user of NZS. The final report of the Canterbury Earthquakes Royal Commission was released in December 2012. Volume 7 of the report focuses on roles and responsibilities of different parties in developing and enforcing legal and best-practice requirements for the design, construction and maintenance of buildings to address the risk of earthquakes. This volume covered the role of NZS in New Zealand's performance-based building control framework.

The Royal Commission's report noted that the regulator (MBIE) has overall leadership of the building and construction sector. The regulator's role includes setting the policy and regulatory framework, issuing and reviewing compliance documents, and publishing guidance information on the requirements of the Building Act 2004 and Building Code.

The report recommends that the regulator should develop, lead and fund a policy and regulatory work programme which identifies priorities for the development, review and update of compliance documents and NZS in consultation with the Standards Council and other organisations. Work relating to NZS prioritised for update should be funded by the regulator.

Final recommendations and their potential impact on the NSB are still being considered by government.

## Section 2: Proposals for the delivery of New Zealand Standards (NZS)

### Summary of proposals

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The review has resulted in a set of proposals that are intended to better utilise the national standards system to advance New Zealand's goals for innovation and international trade, and to create a more financially sustainable NSB.

The set of proposals are:

- increasing the policy effort within MBIE to strengthen the contribution of standards to areas such as international trade, innovation, and health and safety, with the support of the NSB
- enabling others (such as industry groups) to produce NZS, and therefore reducing the reliance on the NSB to develop and maintain all NZS
- changing the NSB's institutional arrangements and settings to achieve a more sustainable organisation.

### Proposal to increase MBIE's policy effort

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MBIE has the role of undertaking policy work on the contribution of standardisation to different policy outcomes, e.g. innovation, international trade, and health and safety. There is an opportunity to increase MBIE's policy effort to strengthen the contribution of standards to these outcomes. This would include promoting standards to other agencies as a potential lever in their respective policy areas.

In undertaking this role, MBIE would work closely with the NSB in its role both as a service delivery institution and as the national custodian of NZS. For example, MBIE could draw on the NSB's knowledge on ISO developments as well as industry knowledge to make better strategic choices about the ISO committees that New Zealand should participate in.

MBIE's role would complement the NSB, which would have the following tasks:

- providing delivery expertise in facilitating the development of NZS and stewardship of the NZS catalogue
- maintaining the NZS catalogue and its associated intellectual property
- connecting to the international standards community through membership of ISO and IEC, and relationships with NSBs of other countries, particularly Standards Australia, including managing commercial and royalty arrangements with these NSBs

In delivering these key tasks, the NSB will need to ensure that its unique value and distinctive functions are being preserved. [Section 3](#) of this document seeks feedback on these unique value and distinctive functions.

For example, in facilitating the development of NZS, the NSB would ensure that there is access to relevant international and trans-Tasman Standards which can either be adopted or adapted if needed to suit New Zealand's circumstances.

## Proposal to enable other entities to develop New Zealand Standards (NZS)

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The Standards Council as New Zealand's NSB is currently the sole provider of NZS.

It is proposed that an additional option for facilitating NZS production in New Zealand is put in place. This additional option would enable other entities to produce NZS. While this would have similarities to the model used in countries such as Australia and the United States, feedback will help determine if this option is workable in the New Zealand context.

Enabling others to produce NZS, if successful, would involve:

- the NSB undertaking a new function of assessing and approving standards development organisations (SDOs) which then are able to themselves produce NZS
- the NSB undertaking a new function of assessing and approving standards produced by other bodies
- the NSB continuing to be the developer of NZS where no SDO exists or where the NSB is better placed to do the work.

The option of enabling others to produce NZS could have benefits such as a greater role for industry groups in developing NZS relevant to their sector. On the other hand, there might be insufficient interest in taking on this role or constraints arising from the size of New Zealand's economy and expert base.

This additional option would require a statutorily independent Standards board as part of the NSB. The board would approve NZS (including those developed by other groups) and standards development organisations (SDOs). [Section 4](#) of this document outlines the roles of the Standards board and seeks feedback on them.

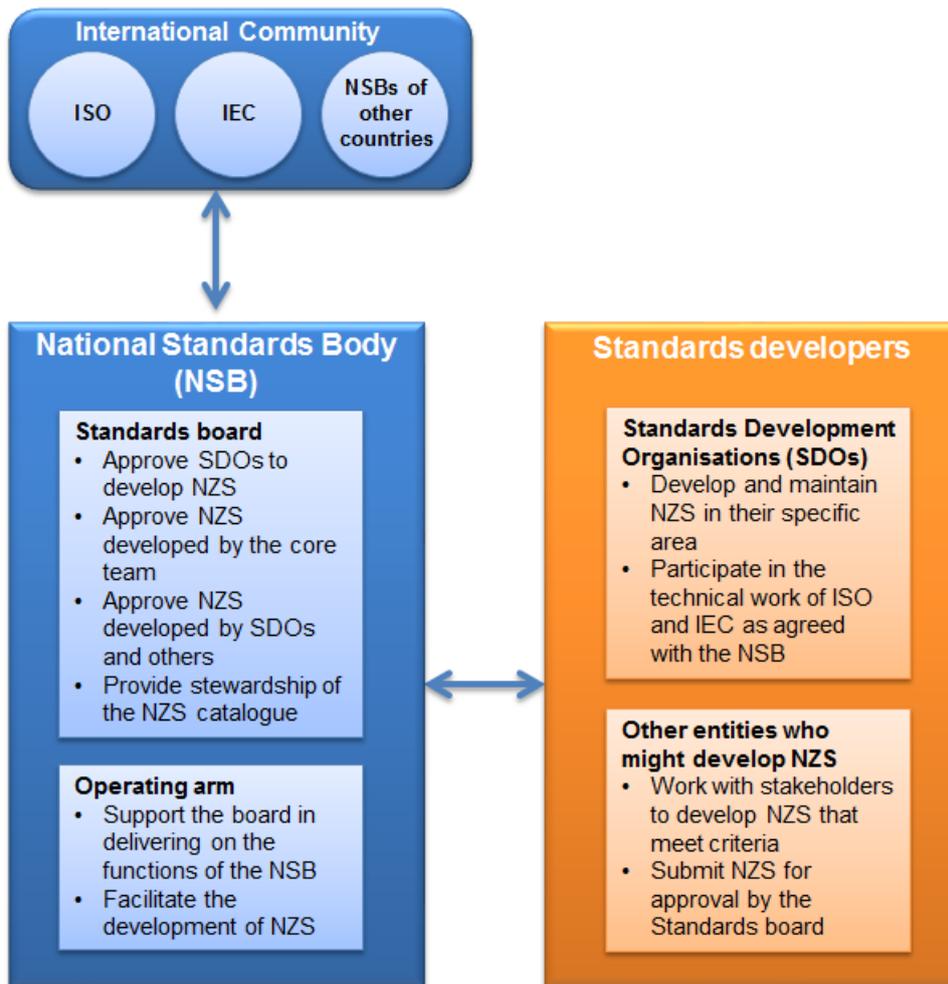
To ensure that all Standards developed in New Zealand are consistent with international expectations and contribute to a competitive and productive economy, the Standards board will need to approve all NZS and SDOs with reference to a set of approval criteria. [Section 5](#) of this document outlines the set of criteria and seeks feedback on them.

The statutory independence of the Standards board would ensure that the approval of NZS and SDOs is undertaken, and is seen to be undertaken, in an impartial manner.

The board and the supporting operating arm that form the NSB would be located either within another related entity or as a standalone Standards organisation.

The operating arm would support the board in delivering on the tasks of the NSB described above. For example, the operating arm would run the process for assessing entities against the criteria to become approved as SDOs, and provide advice on how New Zealand can most effectively participate at ISO and IEC.

The following diagram represents the proposed NSB model described above:



There may also be further opportunities to improve the standards development process so that more sectors and regulators choose to use NZS. [Section 6](#) seeks views on what other improvements would be useful.

## Proposal to change the institutional arrangements of the NSB

NSBs in other countries vary in their institutional arrangements and funding models. For instance, some countries like New Zealand, United Kingdom and Germany have a single standards development body while others like Australia, Canada and the United States have multiple authoritative standards development organisations. All these NSBs are funded through a mix of commercial and government sources. The status of the NSB in these different countries ranges from that of a private company to a government-owned entity.

Countries with NSBs that are funded entirely by the government include China, Japan, Malaysia and Singapore. In these countries, the NSB typically sits within a central government department.

In New Zealand the NSB obtains most of its funding from contracts for the production, maintenance and sale of Standards. The NSB's clients include government agencies and the private sector. The options being canvassed in this discussion document do not preclude the development of new ways of funding Standards development, maintenance and availability, for example through a levy in a sector such as building and construction.

The institutional arrangements for New Zealand's NSB will need to take into account factors such as the size of our market and the need to maintain the ability to contribute to and influence the development of trans-Tasman standards.

Section 7 of this document lists three institutional options for the NSB, and seeks feedback on opportunities and risks which might result from the options, which could impact on the unique value of the NSB and its distinctive functions.

## Section 3: Unique value and distinctive functions of the NSB

The NSB has a unique value and performs distinctive functions as part of the wider standards system. These are:

- acting as the peak standards development body by overseeing NZS development, being New Zealand's member organisation of the ISO and IEC and providing access to the intellectual property in trans-Tasman and international standards
- the ability to contribute to and influence the development of international and trans-Tasman standards, in partnership with industry and consumers
- using an internationally recognised process to produce domestic Standards or modify international Standards, e.g. a Standards development process that is representative of the views of all interested parties and is consistent with New Zealand's obligations under the WTO Agreement on Technical Barriers to Trade
- the NZS brand which signifies that a Standards document is robust, authoritative and credible
- stewardship, development and maintenance of the NZS catalogue to ensure that NZS are fit-for-purpose and up-to-date
- managing commercial and royalty arrangements as New Zealand's link to the wider international NSB network.

### Questions:

1. Do you agree that these functions are valuable and unique to the NSB? If not, why not?
2. What additional unique functions do you think the NSB has, and why are they unique to the NSB?
3. What other functions (if any) do you think the NSB should be responsible for? Why?

## Section 4: Functions of the Standards board as part of the NSB

The NSB would be made up of a statutorily independent Standards board and a supporting operating arm.

It is proposed that an additional option for facilitating NZS production and maintenance in New Zealand is put in place. This option would enable other entities to produce NZS, alongside the NZS development carried out by the NSB.

Including such an option would enable other groups to develop NZS if they have the capacity and willingness to do so. This suggests that the NSB may not need to maintain the current capacity required to produce and maintain all NZS.

If successful, it is envisaged that some of the entities applying to become approved standards development organisations (SDOs) might be industry groups who wish to develop NZS in their specific area, to meet the needs of their members. It will be important to ensure that under this option SDOs would be able to participate effectively in trans-Tasman standards development and access the intellectual property in international and trans-Tasman standards if needed.

SDOs offer the possibility of closer ownership of the NZS development process and the resulting NZS. For instance, they might have a better understanding of the objectives of a particular sector, and could be more efficient at getting the appropriate representation at standards-setting committees. However, there is also the possibility of sector capture or detachment from other related national and international standards.

To ensure that all NZS developed in New Zealand are consistent with national and international expectations and contribute to a competitive and productive economy, the Standards board would need to approve all NZS and SDOs.

It is therefore proposed that the Standards board would take on the functions below:

- to approve NZS developed by the operating arm of the NSB
- to approve SDOs to develop NZS
- to approve NZS developed by SDOs and, potentially, other organisations
- to provide access to and stewardship of the NZS catalogue to ensure that NZS are fit-for-purpose, including applying a framework and a set of processes to ensure that Standards are up-to-date
- to manage commercial and royalty arrangements as New Zealand's link to the wider international NSB network.

The operating arm would continue to develop NZS where requested, and support the board in delivering on the tasks of the NSB described above. For example, the operating arm would run the process for assessing entities against the criteria to become approved as SDOs, and provide advice on how New Zealand can most effectively participate at ISO and IEC.

While the term 'Standards board' is used, it could be a continuation of the existing Standards Council or it might be a different entity. For instance, some of its functions could change or its legal status could change from that of an autonomous Crown entity to that of another type of independent body. The exact nature of the changes will be determined after feedback is received on the proposals in this document.

## Questions:

4. Do you agree with the proposal to enable other entities to develop NZS? If not, why not?
5. Do you agree with the other functions of the Standards board above? If not, why not?
6. What additional functions do you think the Standards board should have, and why?
7. Does having a statutorily independent Standards board achieve the necessary independence required for the NZS approval function? If not, why not?
8. How do you think access to the NZS catalogue could be improved?
9. What do you think is the relative capacity and willingness to form SDOs in New Zealand?
10. Would your organisation have a potential interest in becoming an SDO? What are the likely factors that would affect this interest?

## Section 5: How the Standards Board should perform its functions

To ensure that all NZS developed in New Zealand are consistent with international expectations and contribute to a competitive and productive economy, the Standards Board will need to approve all NZS and SDOs with reference to a set of approval criteria.

This section seeks feedback on the proposed set of approval criteria and processes for maintaining the NZS catalogue. The proposals here have been developed on the basis of criteria and processes used in other countries (such as Australia) which run a similar SDO approval model.

### Part A: Criteria for approving SDOs

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It is proposed that an entity applying to become an SDO and wishing to maintain its SDO status will need to meet the criteria below.

Criteria
1. <b>Standing and competence:</b> The entity is of good standing and is competent to undertake NZS development in the area for which approval is being sought.
2. <b>Representation of the relevant sector in New Zealand:</b> The entity is representative of the sector of interest in New Zealand in the area for which approval is being sought.
3. <b>Resources:</b> The entity has sufficient resources available to undertake NZS development and maintenance work within the scope for which it is approved.
4. <b>Written procedures for NZS development:</b> The entity has well-defined processes for the development and maintenance of NZS.
5. <b>Neutrality and impartiality:</b> The entity demonstrates impartiality and neutrality throughout the NZS development process.
6. <b>Dispute resolution:</b> The entity has procedures for hearing complaints and resolving disputes.
7. <b>Promoting trans-Tasman alignment:</b> The entity is committed to work with the NSB and Standards Australia to promote trans-Tasman standards development, where this is relevant.
8. <b>Adherence to the WTO TBT Code of Good Practice:</b> The entity has accepted and is committed to adhering to the Code of Good Practice for the Preparation, Adoption and Application of Standards, as set out in Annex 3 of the WTO Agreement on Technical Barriers to Trade, if the NZS for which it is approved to develop may impact on international trade.
9. <b>Maintenance of NZS:</b> The entity has to maintain up-to-date NZS within the scope for which it is approved.
10. <b>Submitting to audits:</b> The entity has to submit to surveillance audits to establish on-going compliance as and when required.

Criteria
11. <b>Liaison with NSB:</b> The entity has to cooperate and liaise with the NSB.
12. <b>International participation:</b> The entity may act as the New Zealand mirror committee for the purposes of participating in the technical work of ISO or IEC where that work falls within the scope for which it is approved.

### Questions:

11. Do you agree with the criteria for approving SDOs? If not, why not?

12. What additional criteria do you think should be included, and why?

13. What considerations should the board take into account when applying the criteria above?

## Part B. Criteria for approving NZS

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It is proposed that all standards need to meet the criteria below to be designated 'NZS'.

Criteria
1. <b>Net benefit:</b> The NZS results in an overall positive impact on the community. Net benefit would include an assessment of the costs and benefits of the NZS (including e.g. public health and safety, environmental impact, economic impact).
2. <b>Consensus process:</b> The NZS was developed using a consensus process.
3. <b>Balanced representation:</b> The entity provided for balanced representation from all major stakeholder interests relevant to the NZS, including consumers if relevant.
4. <b>Neutrality and impartiality:</b> The entity demonstrated neutrality and impartiality throughout the NZS development process.
5. <b>Transparency:</b> The NZS development process was open and transparent.
6. <b>Alignment with existing standards:</b> The NZS is aligned with and does not duplicate related domestic/trans-Tasman/international Standards and is compatible with related, broadly-used national standards. NZS are based on relevant international standards where they exist, except where these standards would be ineffective or inappropriate in the New Zealand context.
7. <b>Justification for any deviations:</b> Any deviations from related domestic/trans-Tasman/international Standards are justified.
8. <b>Not anti-competitive:</b> The NZS does not result in price-fixing or inhibit competition or commerce.
9. <b>Patents:</b> The NZS excludes patented items unless their inclusion is justifiable.
10. <b>Existing rights and obligations:</b> The entity has negotiated and agreed any existing rights and obligations related to the NZS.
11. <b>Adherence to WTO TBT Code of Good Practice:</b> Where the NZS may impact on international trade, the entity has adhered to the Code of Good Practice for the Preparation, Adoption and Application of Standards, as set out in Annex 3 of the WTO Agreement on Technical Barriers to Trade.

### Questions:

14. Do you agree with the criteria for approving NZS? If not, why not?

15. What additional criteria do you think should be included, and why?

16. How do you think any liability or risk relating to the relevance and accuracy of NZS should be managed?

## Part C. Maintenance of the NZS catalogue

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The NZS catalogue needs to be regularly updated to reflect changes in the state of knowledge, technology and societal preferences. Out-of-date NZS may no longer be fit-for-purpose and could pose health and safety risks.

MBIE has the role of providing policy advice, and would be responsible for designing the framework and a set of processes to ensure that NZS are up-to-date. Some parts of MBIE also cite NZS in regulations and have a role in potentially resourcing the review of NZS.

The NSB's role would be to implement the framework and processes, in consultation with regulators.

Standards Australia is currently reviewing all Australian Standards and trans-Tasman Standards (i.e. joint Australia/New Zealand Standards). Standards that have been reviewed are revised, withdrawn, reconfirmed without technical changes or declared obsolete. This means that all trans-Tasman Standards will undergo this review process over the next few years. Over 80% of the NZS catalogue is made up of joint Australia/New Zealand Standards.

It is proposed to adopt a similar process for NZS. SDOs would be responsible for maintaining NZS they have developed. The NSB would be responsible for NZS developed by its operating arm, with an agreement between the NSB and the client commissioning the NZS on when and how the review would take place.

Regardless of with whom responsibility lies, the review of NZS will have regard to the settings proposed below.

Setting	Comment
1. Reviewing NZS at a range of intervals	<ul style="list-style-type: none"><li>• Because every NZS is unique, it might be more useful to review NZS at a range of intervals rather than at identical intervals.</li><li>• For example, this means that some NZS might be reviewed once every five years, and others once every ten years.</li><li>• There can be specific instances which trigger the review of a NZS outside of its review interval – for instance, when the ISO standard upon which it is based has been revised.</li></ul>
2. Collating feedback on NZS	<ul style="list-style-type: none"><li>• Any feedback from users on a particular NZS should be collated and reflected in the subsequent review of the NZS.</li></ul>
3. Actions resulting from the review of a NZS	<ul style="list-style-type: none"><li>• The actions would be reconfirmation, withdrawal or updating.</li><li>• Updating could involve either amendments or revisions.</li><li>• Where NZS are incorporated into regulation, the responsible regulator would be directly engaged.</li></ul>

Setting	Comment
	<ul style="list-style-type: none"> <li>Amendments are minor changes, whereas revisions are substantive changes to a NZS.</li> </ul>
4. Changing the status of NZS which have not been updated	<ul style="list-style-type: none"> <li>There might be instances when a NZS requires updating, but there are insufficient resources for funding the update.</li> <li>The status of the NZS would be changed to “Archived” so that it continues to be available but it is clear that it is no longer considered up-to-date.</li> </ul>

### Questions:

17. Do you agree with the proposed settings for maintaining the NZS catalogue? If not, why not?

18. What additional settings do you think should be included, and why?

19. Where should accountability sit for ensuring NZS are relevant and up-to-date?

## Section 6: Other opportunities to improve the standards process

Increasingly consumers are demanding faster, easier and lower cost access to information. This applies to consumers of Standards, and presents a challenge for standards developers around the world.

At the same time, the demands on regulators are changing as modern regulatory good practice requires robust regulatory impact regimes. For example, this can mean that regulators seek greater control over the policy elements of a NZS, or are looking for a NZS development process more closely aligned with Cabinet requirements for regulatory impact analysis (e.g. a clear problem definition and assessment of costs and benefits).

In this context, different sectors and regulators make different use of NZS. They have different experiences of how well NZS meet their timeliness and cost expectations, and the extent to which a NZS is fit for their specific regulatory purpose.

The standards development process needs to remain consistent with international expectations, many of which are laid out in Section 5. But there may be opportunities to improve the process so that more sectors and regulators find NZS to be an efficient, responsive, and value for money solution. For example, there may be ways to:

- make the development process faster and more efficient, such as through a time limited period for the resolution of issues or a decision-making protocol to break deadlocks in achieving consensus
- have a clearer evidence base for the content of some NZS, such as by commissioning specific research
- access a wider range of technical expertise, such as by purchasing expertise
- minimise the risk of 'industry capture' of development committees, such as by being clearer about how each committee is formed or by purchasing a wider range of expertise
- produce documents that are easier to read, such as by using a more plain English style or by developing versions specifically for mobile apps
- make the published documents more accessible, such as by providing a sector group particular access funded through a sector levy.

These examples may not be able to be done together, and the particular needs and relative priorities of each sector are likely to be different. Some improvements to the process may require greater involvement or funding from some sectors to develop some NZS - for instance a sector levy could be used not just to gain access to certain NZS documents, but also to fund their development and maintenance.

### Questions:

20. How good a fit do you think the NZS system is for your sector, and why?

21. What things (if any) could be done to make the NZS system a better fit for your

sector? Please provide actual examples wherever possible.

22. Do you think use could be made of a sector levy fund to develop and maintain some NZS? How might a levy work for funding NZS in your sector?

## Section 7: Opportunities and risks arising from institutional options

The NSB would be made up of a statutorily independent Standards board and a supporting operating arm.

The institutional options that are being considered are:

- Option A: a statutorily independent Standards board to be supported by an operating arm to be located in *MBIE*
- Option B: a statutorily independent Standards board to be supported by an operating arm to be located in *IANZ*, another Crown entity which is part of the standards and conformance infrastructure
- Option C: a statutorily independent Standards board to be supported by an operating arm that is a *standalone Standards organisation* (similar to the current Standards Council and Standards New Zealand arrangement).

The above options are intended to result in a financially sustainable NSB which is able to deliver more effectively over time on its unique value and functions. For example, they are intended to achieve some of the following benefits:

- independence provided by the Standards board in assessing and approving NZS and SDOs
- the Standards board being able to focus on its approval function because it potentially would not have a governance role
- economies of scale from sharing of corporate overheads and ease of scalability to respond effectively to varying demand for NZS over time
- potential synergies with MBIE's policy role on standardisation and responsibility for work on providing better information to businesses on regulatory compliance
- potential synergies with IANZ in relation to the NSB's function of approving SDOs and NZS, which has similarities to IANZ's accreditation function
- more effective access to an up-to-date and well maintained NZS catalogue.

At the same time as views are being sought in this paper on how the NSB might work, the Council and MBIE will work together on further assessing long-term financial sustainability and the implications for the NSB from the trend of Standards being freely available when they are cited in regulation.

### Questions:

23. What opportunities and risks do you think the three institutional options provide for delivering on the NSB's unique value and distinctive functions (as outlined in Section 3)?

24. Are there any other Standards board and/or operating arm configurations that you think would work better? Why?
25. What impact (if any) would the three institutional options have on you as an expert who contributes to NZS? Why?

## Feedback form

### Feedback form completed by:

First name:

Last name:

Organisation:

Email address:

Date:

### Please email your form to [standards@med.govt.nz](mailto:standards@med.govt.nz)

Alternatively you can post your form to:

Standards and Conformance Infrastructure Review  
Regulatory Cooperation and Standards  
Labour and Commercial Environment  
Ministry of Business, Innovation and Employment  
PO Box 3705  
DX SR57340  
Wellington 6011

### Section 3: Unique value and distinctive functions of the NSB

1. Do you agree that the functions in section 3 are valuable and unique to the NSB?

Yes  No  If not, why not?

2. What additional unique functions do you think the NSB has, and why are they unique to the NSB?

3. What other functions (if any) do you think the NSB should be responsible for? Why?

#### **Section 4: Functions of the Standards board as part of the NSB**

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4. Do you agree with the proposal to enable other entities to develop NZS?

Yes  No  If not, why not?

5. Do you agree with the other functions of the Standards board in Section 4?

Yes  No  If not, why not?

6. What additional functions do you think the Standards board should have, any why?

7. Does having a statutorily independent Standards board achieve the necessary independence required for the NZS approval function?

Yes  No  If not, why not?

8. How do you think access to the NZS catalogue could be improved?

9. What do you think is the relative capacity and willingness to form SDOs in New Zealand?

10. Would your organisation have a potential interest in becoming an SDO? What are the likely factors that would affect this interest?

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## **Section 5, Part A: Criteria for approving SDOs**

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11. Do you agree with the criteria for approving SDOs in Part A of section 5?

Yes  No  If not, why not?

12. What additional criteria do you think should be included in Part A of section 5, and why?

13. What considerations should the board take into account when applying the criteria in Part A of section 5?

## Section 5, Part B: Criteria for approving Standards

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14. Do you agree with the criteria for approving Standards in Part B of section 5?

Yes  No  If not, why not?

15. What additional criteria do you think should be included in Part B of section 5, and why?

16. How do you think any liability or risk relating to the relevance and accuracy of NZS should be managed?

## Section 5, Part C: Maintenance of the NZS catalogue

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17. Do you agree with the proposed settings for maintaining the NZS catalogue in Part C of section 5?

Yes  No  If not, why not?

18. What additional settings do you think should be included in Part C of section 5, and why?

19. Where should accountability sit for ensuring NZS are relevant and up-to-date?

## Section 6: Other opportunities to improve the standards process

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20. How good a fit do you think the NZS system is for your sector, and why?

21. What things (if any) could be done to make the NZS system a better fit for your sector? Please provide actual examples wherever possible.

22. Do you think use could be made of a sector levy fund to develop and maintain some NZS? How might a levy work for funding NZS in your sector?

## **Section 7: Opportunities and risks arising from institutional options**

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23. What opportunities and risks do you think the three institutional options (outlined in section 7) provide for delivering on the NSB's unique value and distinctive functions (as outlined in Section 3)?

24. Are there any other Standards board and/or operating arm configurations that you think would work better than those outlined in section 7? Why?

25. What impact (if any) would the three institutional options have on you as an expert who contributes to NZS? Why?