

Compliance programme

Compliance audit programme for 2009/10 and beyond

Our outcome objectives for the radio frequency spectrum resource are:

1. Maximising the potential for the resource to support the delivery of cost-effective telecommunications infrastructure and services
2. Minimising the administration and business costs of facilitating and maintaining access to the resource.

RSM will apply the following principles in its work:

1. The least amount of auditing and enforcement intervention necessary to achieve those objectives will be pursued.
2. Our investigations and decisions will be proportionate, consistent, transparent and accountable.

Within the context of these principles RSM has consulted with industry and subsequently reviewed its compliance strategy, targets and methodologies. This document is designed to provide users of the radio spectrum with a brief overview of the changes to the compliance audit programme for the year 2009/10. The [Compliance Guide](#) was revised and updated in August 2009 to reflect these changes.

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1. Programme background

For the past six years significant RSM resources have been directed at [licence audits](#) of radiocommunications services operating below 1 GHz. The rate of compliance is currently at an acceptable level and this allows for a re-focus of resources and development of a fresh approach to compliance auditing.

1.1 What else has shaped the audit programme?

The 2008 [PriceWaterhouseCoopers \(PWC\) report](#)

Industry feedback

Data analysis using experience gained, statistics and observations made from audits

Risk analysis identifying the causes and impacts of [harmful interference](#)⁽¹⁾

Changing technology, such as the increase of digital services which are generally more tolerant of interference

Demand trends such as the increasing demand for access to spectrum above 1 GHz

1.2 What are the key elements of the audit programme?

In 2008 a business review of RSM was conducted by PWC and the following key recommendations were made:

- Reduce the volume of compliance work by moving from a proactive mode to a maintenance mode
- Develop a risk-based and highly targeted approach to auditing.
- Remove legislative (and any other) impediments to border-based inspection and interception of devices and products that are likely to cause interference.

Following on from the PWC recommendations, two workshops with industry representatives were held last year. Audit and interference data from recent years was also discussed to:

Identify trends in non-compliance

Identify the impact of non-compliance on different services

Predict developing risks of non-compliance

Key recommendations from these industry workshops were:

RSM should focus more on 'off-air' measurements than on coupled measurements, so as to reduce the compliance burden and cost to licensees.

RSM should improve the quality of location data held in SMART.

RSM should not penalise non-compliance arising from legacy issues within the licensing framework.

2. Audit Programmes 2009/2010

Radio and spectrum licences

As part of the targeted audit programme RSM will undertake 1100 [licence audits](#) (2.8% of current licences), which is approximately half of the 2008/09 target.

This reduced volume reflects an acceptable level of compliance reached in services previously focused on and RSM's movement to "maintenance" mode in those areas. This will enable a re-focus of resource on new methods of work (off-air audits) and attention to new services and technologies.

A greater proportion of audits will be made using radiated (off-air) measurements

This reduces the need for licensee assistance and therefore business compliance costs.

Prior notice of audit need not be given, however licensees will be informed of off-air audit outcomes.

Some audits will continue to be done by coupled measurement, both for sampling information and for confirmation of off-air data.

The rapid expansion of services above 1GHz, particularly in the GUL⁽ⁱⁱ⁾ bands, presents new interference risks and some audits will focus on this area.

Other licence categories will continue to be included in the audit programme, to address observed compliance or interference risks.

Licensees' core obligation to comply with the terms of their licences remains unchanged. Licence terms continue to set the transmission parameters and any tolerances which may be applicable.

External engineers [\(iii\)](#)

RSM will arrange audit of 12 External Engineers who have certified a licence in the past year, with an emphasis on those External Engineers and Certifiers whose work has been previously observed as not complying with required policies or requiring significant re-engineering and correction.

Radio examiners [\(iv\)](#)

RSM will audit 12 Examiners who have conducted an examination in the past year, with an emphasis on Examiners whose work has been previously observed as not complying with required policies.

EMC and RADCOM suppliers ^(v)

RSM will carry out 300 supplier visits to audit EMC and Radio products and compliance documentation. Note that this is a change from 850 product audits for the 2008/09 year. Targeting suppliers is a more productive control in the value chain than targeting individual products at a retail level.

These audits will include importers, manufacturers, retailers and agents.

Greater emphasis will be placed on suppliers where higher levels of non-compliance have previously been identified.

On-line traders will continue to be a significant focus as their proliferation presents an increasing risk to New Zealand's compliance regime. Additionally, there appears to be a very low awareness in this group of the regulatory requirements prior to importing and/or supplying the market.

Market traders (flea-markets, low cost shops, mall kiosks etc) will also receive attention – these traders also appear to have a very low awareness of the regulatory requirements prior to importing and/or supplying the market.

Ongoing work

Location data accuracy

The accuracy of location data in the Register of Radio Frequencies (SMART) is critical to effective engineering of new and amended radio services. To further improve the accuracy of the location information held in SMART, RSM will undertake a project to review, verify and where necessary arrange correction of location data. Points to note are:

Most location information will need to be GPS sourced or verified.

Desired location precision for new assignments will be reviewed and PIB 38 and 39 will be amended at a later date.

Where existing location information inaccuracy is found, RSM will work with licensees to make corrections. PIB38 and 39 will be amended to simplify that process.

Enforcement action will give consideration to location errors attributable to data entry prior to the commencement of SMART

2. RSM will respond to interference complaints in the broadcasting, commercial communications and safety services within the timeframes published in our Business plan.
3. SMART will continue to be enhanced to improve its usability.
4. Amendment of legislation will be sought, focusing on the provision for border control of products likely to cause harmful interference.
5. RSM will continue enhancement of mutual recognition and harmonisation agreements with other countries.
6. RSM will work with AS/NZS and other International standards committees to protect spectrum while promoting global market choice in electrical products and communications equipment.

RSM will continue to monitor the overall usability of the radio spectrum, through the licence audit programme and monitoring of interference complaints, as well as regular feedback sessions with industry. If trends indicate deterioration in compliance levels and in the usability of the radio spectrum or of licence data held in SMART, compliance activity will be re-targeted and may be increased.

Footnotes

Harmful interference means interference which endangers the functioning of a radionavigation service, or of other safety services, or seriously degrades, obstructs, or repeatedly interrupts radiocommunications.

GUL – [General User licence](#)

[External Engineers](#) are persons who have been authorized by the Ministry to certify licences. There are two categories of External Engineers:

Approved Radio Engineer (ARE) can certify both spectrum and radio licences.

Approved Radio Certifiers (ARC) can only certify radio licences.

[Radio Examiners](#) are persons who have been authorized by the Ministry to conduct examinations, grant radio operator certificates of competency, and issue/maintain callsigns.

[Suppliers](#) of electrical, electronic and radio products.