

**Audit Procedures
for
Engineering Certificates**

Amendment History	
Date of Effect	Description of Amendment

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1 Background

A *spectrum licence* submitted for registration under section 25 of the Radiocommunications Act 1989 must be accompanied by a certificate issued by an Approved Radio Engineer. The scope of the certificate is specified in section 25(5) of the Act.

A *radio licence* application made under regulation 7 of the Radiocommunications Regulations 2001 must, in accordance with regulation 12(b), be technically compatible with existing *radio licences* and *spectrum licences* recorded in the *Register of Radio Frequencies (RRF)*.

The Chief Executive recognises competent persons for the purposes of providing certificates for spectrum licences (Approved Radio Engineers), and radio licences (Approved Radio Engineers or Approved Radio Certifiers). Refer to publication PIB 34 for further information regarding approved persons.

The Chief Executive will undertake, as detailed in this document, such auditing of certificates as is considered necessary to ensure compliance with the Act and Regulations, best practice in radio spectrum engineering and the ongoing competency of the Approved Person who granted the certificate.

2 Objective

The engineering certificate audit programme defined in this bulletin applies to all *spectrum licences* and *radio licences*.

The process will involve proactive periodic audits of certificates issued by Approved Radio Engineers and Approved Radio Certifiers. The objective of the audit procedure is to ensure that a high standard of best practice is maintained in radio spectrum engineering. The key benchmark documents in this regard are:

- The Radiocommunications Act 1989
- The Radiocommunications Regulations 2001
- PIB 34 (Information for Approved Radio Engineers and Approved Radio Certifiers)
- PIB 38 (Radio Licence Engineering Rules)
- PIB 39 (Spectrum Licence Engineering Rules)
- ITU International Radio Regulations
- ITU-R Reports and Recommendations

3 Extent of audits

The audit framework requires a random selection of certificates, made on a representative basis over a range of radio services, and includes the associated documentation relating to the issue of such certificates.

The audit will include analysis of the nature, range and scope of the engineering methodology employed, any re-working of engineering calculations and the standards of record-keeping. The audit will not include analysis of any documentation relating to commercial or contractual arrangements between an Approved Person and a manager or a licensee.

It is an RSM business objective that every Approved Person issuing certificates will, as a minimum be audited every two years

4 Scheduled audit of certificates issued by non-RSM employed Approved Persons

Scheduled audits of certificates issued by non-RSM employed Approved Persons will, in the initial stages, be undertaken by RSM Approved Persons¹. RSM Approved Persons will document any issues or concerns and refer these to the RSM Manager Licensing. Where the Manager Licensing considers that there is sufficient cause for concern with regard to a particular certificate, or a trend with regard to certificates issued by the same Approved Person, the Manager Licensing will refer the matter to the Audit Review Panel.

In the case of a newly registered Approved Person, an audit will be scheduled as soon as practicable after the issue of the first certificate by that person. Subsequent audits will be conducted in accordance with a published audit schedule.

5 Scheduled audit of certificates issued by RSM employed Approved Persons

Scheduled audits of certificates issued by RSM employed Approved Persons will be undertaken by a non-RSM employed Approved Radio Engineer, contracted by the Ministry for this purpose. The auditor will document any issues or concerns and refer these to the Manager Licensing. Where the Manager Licensing considers that there is sufficient cause for concern with regard to a particular certificate, or a trend with regard to certificates issued by the same Approved Person, the Manager Licensing will refer the matter to the Audit Review Panel.

In the case of a newly registered Approved Person, an audit will be scheduled as soon as practicable after the issue of the first certificate by that person. Subsequent audits will be conducted in accordance with a published audit schedule..

6 Non-scheduled audit of certificates

Any certificate may be audited at any time regardless of any scheduled audit programme, particularly where deemed necessary or desirable following the investigation of a complaint of interference. The nature of a non-scheduled audit may be such that it is afforded priority over scheduled audits, or is the subject of urgent consideration by the Audit Review Panel.

7 Request for documentation

Approved persons must keep all documents relating to the issue of a certificate, including engineering calculations and technical notes, for a period of 5 years² from the date of the certificate. This documentation may be kept in an electronic form. At the request of RSM this documentation must be supplied within 10 working days for audit purposes. Copies of the documentation may be made and retained by RSM, and provided to the Audit Review Panel as deemed appropriate by RSM.

8 Notification of audit results

Any adverse results of an audit will be notified to the Approved Person within 10 working days of the completion of an audit. This notification will give details of any concerns of RSM, and where these are considered sufficient to warrant a review, will include formal advice of an audit review.

¹ Inclusion of this process within RSM's ISO 9001 accreditation framework is under consideration.

² In the case of *spectrum licences* it is recommended that documentation be retained for the term of the management right.

The Approved Person will then have an opportunity to make a written submission, and may also request the right to meet with the Audit Review Panel.

9 Audit Review Panel

As required, RSM will convene an Audit Review Panel of no less than three Approved Persons, two of whom must be Approved Radio Engineers. RSM may also appoint other competent persons to the panel as it sees fit (for example, Australian Accredited Certifiers or staff of the Australian Communications Authority).

It is the task of the Panel to consider cases referred by the Manager Licensing and make recommendations. The Panel may seek further information from an Approved Person to assist them in this task. All technical assessments are to be made in the context of best engineering practice, with particular regard to Article 3 of the ITU International Radio Regulations. The panel may make recommendations with regard to the competency of an Approved Person and whether they should continue to be recognised as such. The Panel may also recommend changes to the Engineering Certification framework, including amendments to engineering rules.

The Panel may work by correspondence, by teleconference or in person as the composition of the Panel and the issues dictate. RSM will provide secretarial support to the panel, including distribution of documents relating to cases for review. Panel members may be contracted on a meeting by meeting basis, or for longer terms at the discretion of the RSM.

10 Conflict of interest

It is the responsibility of every person appointed to an Audit Review Panel to advise, at the earliest opportunity, any potential conflicts of interest, either in general or with regard to particular cases under review. Personally knowing the Approved Person whose work is subject to audit does not, in itself, create a conflict of interest.

11 Notification of audit review

RSM will consider the findings of the Audit Review Panel and notify the Approved Person in writing of the results of the review within 10 working days. Any decision to remove an Approved Person from the Register is judicially reviewable by the High Court.

12 Confidentiality of audit review reports

Unless action is taken by RSM to remove an Approved Person from the Register, the findings of the Audit Review Panel and all documentation relating to the review will remain confidential to the approved person, RSM and the Panel.

APPENDIX

Definitions

Ministry means the Ministry of Economic Development

Chief Executive means the Chief Executive of the Ministry of Economic Development

RSM means the Radio Spectrum Management Group of the Ministry

Register means the register of Approved Radio Engineers & Approved Radio Certifiers