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# **Audit Procedures for Engineering Certificates Issued by Approved Persons (PIB 40)**

**Issue 4 | December 2014**

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# Contents, Disclaimer, Changes, Clarification and Corrections

## Contents

This document reflects the current practices and policies of the Radio Spectrum Management (RSM) business unit of the Ministry of Business, Innovation and Employment (the Ministry) in regard to requirements for Audit Procedures for Engineering Certificates Issued by Approved Persons.

## Disclaimer

The Ministry makes no warranty, express or implied, nor assumes any liability for any loss suffered, whether arising directly, or indirectly, due to the sole reliance on the accuracy or contents of this Public Information Brochure (PIB 40).

## Changes

Radio Spectrum Management (RSM) may change, delete or add to or otherwise amend information contained in the document from time to time to reflect evolving policies. Changes to this document will be notified through the Radio Spectrum Management Business Update e-newsletter that is emailed to those who subscribe. The changes are also notified in the news section on the RSM website, [www.rsm.govt.nz](http://www.rsm.govt.nz).

## Clarification and Corrections

RSM will provide clarification of the information contained in this document when requested and would appreciate receiving suggestions for its improvement or advice relating to inaccuracies or ambiguities. Such matters may be emailed to [rsmlicensing@mbie.govt.nz](mailto:rsmlicensing@mbie.govt.nz). Correspondence received will be acknowledged, investigated and appropriate action taken.

## Amendment History

Issue	Date of effect	Description of Amendment
1	August 2004	First edition
2	14 January 2011	Changes made to reflect a targeted risk based selection of certificates rather than random selection of certificates for audit.
3	22 August 2011	Addition of PIB 58 (Radio Licence Policy Rules) to the key benchmark documents on page 4.
4	December 2014	New RSM branding applied

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## 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, in accordance with regulation 12(b), must be technically compatible with existing *radio licences* and *spectrum licences* recorded in the *Register of Radio Frequencies (the Register)*.

The Chief Executive of the Ministry of Business, Innovation and Employment (the Ministry) 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 Radio Spectrum Management's (RSM) publication *Applications and Requirements for Approved Radio Engineers and Approved Certifiers (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.

## 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](#)
- Applications and Requirements for Approved Radio Engineers and Approved Radio Certifiers (PIB 34)
- Radio Licence Engineering Rules (PIB 38)
- Radio Licence Policy Rules (PIB 58)
- Spectrum Licence Engineering Rules (PIB 39)
- Reference Standards made under s133 of the Act
- [ITU International Radio Regulations](#)
- ITU-R Reports and Recommendations

## **Extent of audits**

The audit framework requires a targeted risk based selection of certificates, 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 engineering methodology employed, re-working of engineering calculations, and 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 a Radio Spectrum Management (RSM) business objective that RSM will audit six Approved Persons who have certified a licence in the current year and continue to target Approved Persons whose work has been identified as substandard.

## **Audits of certificates issued by non-RSM employed Approved Persons**

Audits of certificates issued by non-RSM employed Approved Persons will be undertaken by RSM Approved Persons. RSM Approved Persons will document any issues or concerns and refer these to the RSM Licensing Manager. Where the RSM Licensing Manager 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 RSM Licensing Manager 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. The RSM Licensing Manager will decide when any subsequent audits are required.

## **Audits of certificates issued by RSM employed Approved Persons**

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 RSM Licensing Manager. Where the RSM Licensing Manager 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 RSM Licensing Manager 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. The RSM Licensing Manager will decide when any subsequent audits are required.

## Non-Scheduled audit of certificates

Any certificate may be audited at any time, 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 be the subject of urgent consideration by the Audit Review Panel.

## 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 five years<sup>1</sup> 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.

## 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.

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.

## 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 and Media Authority).

It is the task of the Panel to consider cases referred by the RSM Licensing Manager 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.

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<sup>1</sup> In the case of spectrum licences it is recommended that documentation be retained for the term of the management right

## **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.

## **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 RSM web list of all approved persons is judicially reviewable by the High Court.

## **Confidentiality of audit review reports**

Unless action is taken by RSM to remove an Approved Person from the RSM web list of all approved persons, 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 A

## Definitions

Date of effect	Definition
Ministry	means the Ministry of Business, Innovation and Employment (MBIE)
Chief Executive	means the Chief Executive of the Ministry of Business, Innovation and Employment (MBIE)
RSM	means the Radio Spectrum Management business unit of the Ministry of Business, Innovation and Employment (MBIE)
Register	means the Register of Radio Frequencies (the Register)
RSM web list of all approved persons	means the register of Approved Radio Engineers & Approved Radio Certifiers