



AUSTRALIAN CERTIFICATION AUTHORITY FOR REINFORCING STEELS LIMITED

Chairman: Graham Hutchinson

Deputy Chairman: John Fenwick

Executive Director: Mark Turner

NEWSLETTER - MAY 2003

WELCOME

This is the first of what will be a regular communication on the development of the Australian Certification Authority for Reinforcing Steel (ACRS). Several years ago, I was asked to take on the role of Chairman of ACRS. The concept of ACRS was explained to me in the terms you read below.

I was pleased to take on the role of Chairman, as the University of Melbourne has had a long association with reinforced concrete research and involvement in ACRS was seen as a natural extension of that work.

The next 12 months is crucial for ACRS. We have set an ambitious programme to get a voluntary scheme in place, while still controlling costs. I look forward to the ongoing support from my fellow Council members and potential certificate holders, to make ACRS a world class product certification scheme.

Graham Hutchinson
Professor of Civil Engineering
University of Melbourne

OUR CHARTER

The Australian Certification Authority for Reinforcing Steel (ACRS) administers a third party product certification scheme for steel reinforcement and prestressing strand. Its mission in administering this programme is:

"The continued manufacture and supply of reliable safe, consistent quality steel reinforcement and prestressing strand to Australian Standards".

BACKGROUND

The concept of the Australian Certification Authority for Reinforcing Steels has been developing over the past few years. In 1999 a series of public forums were hosted by the Steel Reinforcement Institute of Australia with guest speaker Ben Bowsher, of CARES, the UK reinforcing accreditation scheme, to gauge interest in the construction industry in Australia for a similar scheme.

CARES, along with a number of similar bodies around the world (see more below), has been very successful in ensuring that the quality of reinforcement bar, mesh and strand supplied to site meets the relevant Standards.

As a result of this a number of key construction industry bodies agreed to support the establishment of a voluntary Australian scheme, and ACRS was incorporated as a company limited by guarantee, the usual format for a non-profit body, on May 3rd 2001. An initial group of potential certificate holders agreed to start paying the ACRS levy as from July 2001 in order for the ACRS Council to start functioning and to recruit staff.

Draft certification procedures have recently been circulated for comment, and comments incorporated in subsequent revisions. Pilot assessments of the procedures are planned by August, and ACRS expects to issue its first Certificates later in 2003. Accreditation by JAS-ANZ the joint accreditation system for Australian and New Zealand accreditation authorities is planned and ACRS structure and procedures manuals reflect compliance with ISO/IEC Guide 65.

The proposed Australian certification scheme, like its counterparts overseas, will provide audit of manufacturing process from basic steel production to processing and site delivery. It will be supported by third party sampling and testing. Queensland Main Roads have operated a similar scheme for prestressing/post-tensioning strand for many years, with testing at University of Queensland, and their intention is to roll their programme into ACRS.

The proposed scheme is entirely voluntary and relies on industry support in terms of users specifying ACRS approved materials, and responsible suppliers submitting themselves for certification. The new reinforcing Standards AS/NZS 4671 allows for

voluntary third party product certification, as one of the methods to prove compliance. The Standards for prestressing steel are in the process of revision and will contain a similar statement.

Australian design engineers, specifiers and construction companies have over the past twenty years developed a high level of confidence in the quality and technical attributes of locally supplied reinforcing steels, which in turn has led to a reduction in on-site testing and checking. With the growing trend towards globalisation and performance related Standards, many countries have introduced a product certification scheme to ensure that this confidence is maintained.

A WORLD WIDE TREND

At the last count there were over twenty certification bodies around the world for reinforcing steel. European countries with similar bodies to the ACRS scheme have a forum known as Conscert. Its members include Spain, France, Denmark, Switzerland, Italy, Netherlands, Norway, Belgium, Sweden, Finland and the UK. Germany operates the Institut für Bautechnik and certifies a broad range of construction materials. Some of these bodies are voluntary, and some are mandatory, depending on the building code legislation in the country. There is a wealth of experience available to ACRS in setting up and operating a world class product certification scheme, and assistance has already been made available in production of the draft manuals for ACRS.

THE ACRS NATIONAL COUNCIL

The Council of ACRS is intended to be independent, representative of a broad range of construction industry participants, and include private and public sector specifiers, users and suppliers.

Current members, with their representatives, so far are:

Association of Consulting Engineers Australia (ACEA)

- Bill Ryan

Australian Constructors Association (ACA)

- Peter Stewart

Austroads

- John Fenwick

Bureau of Steel Manufacturers of Australia (BOSMA)

- David Armston

Concrete Institute of Australia

- Bob Potter

Housing Industry Association (HIA)

- Mike Harding

Master Builders Association (MBA)

- Awaiting Nomination

National Precast Concrete Association of Australia (NPPCAA)

- Brian Mallon

Steel Reinforcement Institute of Australia

- SRIA Independent Processors - Ian Barwell
- SRIA Mill-Owned Processors - David Thomson

The University of Melbourne

- Graham Hutchinson

Wire Association of Australia

- Barry Loudon

The Institute of Building, the Institution of Engineers Australia, and the Institute of Public Works Engineers Australia are in the process of deciding their nominees to Council.

The Australian Building Codes Board and Standards Australia have also expressed support for the scheme, but have not nominated a representative to Council.

ACCC ENQUIRY INTO ACRS

During 2002, ACRS received a letter from the Australian Competition and Consumer Commission (ACCC) alleging that a presentation used to introduce ACRS was misleading and that the scheme itself could be anti-competitive.

ACRS denied the allegations but cooperated fully with the ACCC. ACRS provided the ACCC access to its documentation in an open and transparent manner. Following lengthy negotiation, ACRS agreed to issue a letter to recipients of its presentation. The letter set out the ACCC's allegations, with ACRS detailed response.

We will continue to keep the ACCC informed of ACRS development; a dialogue first initiated by ACRS with *the ACCC in 1999, well prior to this investigation.

PRESERVING CONFIDENTIALITY AND IMPARTIALITY

Many potential certificate holders have expressed concern about issues of confidentiality and impartiality in the administration of the scheme. As mentioned before, ACRS is being structured around the requirements of ISO/Guide 65 (published as AS/NZS 3843). Confidentiality and impartiality are the two highest priorities of the Guide and require ACRS to have a corporate structure and personnel policies to achieve this.

In terms of organisation structure:

- ACRS has a balanced representation of interests, as shown by the Council.
- Individual companies, which could qualify for certification cannot be represented on Council.

c Approvals for certification are separated from those undertaking the evaluations.

d Information gathered about a product or supplier, in the course of certification, shall not be disclosed to a third party without written consent of the supplier. Data required for levies will be collected by an independent firm of accountants and auditors, who will also invoice for ongoing levies.

Safeguards, with respect to personnel, include:

- All full-time and contract personnel will be required to sign confidentiality agreements.
- While personnel may have worked for a potential certificate holder in the past, they will satisfy the requirements of two years separation, required by ISO Guide 65.

HOW MUCH WILL IT COST?

ACRS recently completed its major budget review. So that ACRS is impartial, the principle for funding was that third party assessment and subsequent surveillance should be at cost, while a levy would be charged on tonnes produced or supplied to the Standard.

As a guide, the following costs are estimated for certification. Some additional travel costs could be incurred for remote locations:

	Initial	On-Going
Bar Manufacture	\$4,500	\$2,000
Bar Processing	\$2,000	\$1,200
Mesh Manufacture	\$2,700	\$1,200
Prestressing Strand	\$3,800	\$1,750

(Assume 12.7 & 15.2 mm strand certified)

In addition to the audit cost, the administration and marketing cost of ACRS will be borne by the levy on material supplied. The levy for 2002/03 has been set at 20c/tonne for mill and 10c/tonne for processors and mesh manufacturers. An initial application fee of \$500 is proposed. This would be credited against the initial audit cost.

The following reinforcement suppliers have already begun to support the organisation by advancing the administration levy:

Processors:

OneSteel Reinforcing, Smorgon ARC, Welded Mesh, Neumann Steel, Bianco Reinforcing and Marner Steel and Mesh.

Producing Mills:

OneSteel, Smorgon Steel.

Enquiries have been received and discussions are in process with a number of other mills and processors both in Australia and overseas. Strong interest has also been expressed for the prestressing strand component of the scheme.

ASSESSORS APPOINTED

ACRS is pleased to advise that two assessors have been appointed, on a contract basis. John Ward and Graeme Adam have extensive experience in the steel industry, with both a metallurgical and QA background. They have been drafting the assessment procedures; conducting trial certification audits; and will undertake initial assessments.

TRIAL ASSESSMENT COMPLETED

ACRS Council agreed that the assessment procedures be trialed with a number of volunteer steel manufacturers and processors. These trials would help determine whether the procedure would give an assessor confidence in a candidate to comply with the Standards; identify practical implementation issues; and improve cost estimates for audits.

We are thankful to the six companies who volunteered participation.

The trials were conducted in February and early March, by the assessors and the Executive Director. Each participant has received a confidential report on the evaluation of their own company. Our procedures are being revised in the light of these assessments and several recommendations passed on to Standards Australia.

The success of these trials has prompted ACRS Council to proceed to full implementation.

KEY MILESTONES

2001	
April	Interim Executive Director appointed
May	ACRS incorporated
November	Assessors appointed
2002	
February	Draft procedures manuals issued
2003	
February/March	Pilot audits take place
May	Invitations issued to join scheme
July/September	Commencement of assessments
October	Issue first wave of certificates

COMMENTS ARE WELCOME

The Council of ACRS welcomes comment and feedback from the construction industry, to ensure that its programme is relevant, focused and meets the needs of participants and users.

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