

# Product Appraisal Scheme

Water Services Association of Australia (WSAA) operates a National Product Appraisal Scheme for strategic products used in water and sewerage network infrastructure.

## Key benefits:

The scheme provides manufacturers and suppliers with:

- > a one-stop shop for product appraisal - a single point of reference to the Australian urban water businesses and their associates,
- > savings in time and money by streamlining the assessment and review process, consistent standards across the whole water industry.

Appraisal reports give a quality and technical basis of product appraisal which can be used by manufacturers and suppliers for marketing purposes. The scope and content of an Appraisal report is limited to assessing the quality and technical characteristics of a product, and does not address other issues such as, for example, whether importation, sale or use of the product the subject of the appraisal report is likely to infringe intellectual property rights or rights in relation to confidential information or breach any laws.

## About Product Appraisals

The scheme is a voluntary scheme introduced by the WSAA to provide a single coordinated appraisal of a product's technical conformity to meet the needs of the urban water businesses. It was developed with industry assistance, and draws on the collective knowledge and experience of the urban water businesses and industry.

The program is designed for manufacturers, suppliers, importers, distributors or agents who have a product that may be suitable for use by the water industry. It is a process of assessment and review of the design, performance and suitability of a product for use in water and sewerage infrastructure at a nominated performance level.

Water businesses provide input into testing requirements and trialling conditions and the Appraisal report includes review of the quality management system under which the product is manufactured and supplied. WSAA provides the applicant with a report and recommendations resulting from the assessment and review. Final authorisation, approval or acceptance for use of the product lies with the individual water businesses.

Importantly, while WSAA requires applicants to warrant that the product the subject of an appraisal does not infringe intellectual property rights or rights in relation to confidential information, WSAA does not undertake any assessment of those matters and such matters are beyond the scope of appraisal reports. Further, from time to time WSAA or its members may receive notice of allegations that the importation, manufacture, sale or use of certain products infringe intellectual property rights or other proprietary rights. WSAA's policy is to not refer to such allegations in its reports or take any other steps to put recipients on notice of such allegations, unless and until it is aware that the allegations have been admitted or proved in Court.

## How it works

The process consists of an assessment and review of the design, performance and suitability of a product for use in water and sewerage network infrastructure at a nominated performance level. It reviews the manufacturer's ability and the product's suitability to:

- > fulfil water industry requirements;
- > meet the expected design life;
- > establish how and where it will be used, ie installation and maintenance procedures; and
- > ensure the conformity and quality of product.

It may also identify the training needs for the successful adoption of the product throughout the water industry.

For strategic products used in water and sewerage network infrastructure the process consists of three main steps.

**Step 1** - Applicant applies for a WSAA Product Appraisal. After the application has been received (and if the application is accepted by the WSAA) the Product Appraisal Manager will review it against the product specification and the supporting information required for that product. The applicant will then be advised of any gaps in the application and request that the information be provided.

**Step 2** - A draft Product Appraisal Report is prepared and circulated to the Infrastructure Products and Materials (IPAM) Network for peer review. Any comments received from the network are provided to the applicant for review.

**Step 3** - Following satisfactory completion of all outstanding issues from this peer review process the completed report is published on the WSAA website.

For innovative products that do not have a relevant standard, the WSAA will decide which of these products are eligible for a WSAA national product appraisal. If accepted for an appraisal, the application will be reviewed by the Expert Panel consisting of WSAA members and associates from the Infrastructure Products and Materials (IPAM) Network for direction on the way that the application will be appraised.

## Assessment Criteria

Appraisal criteria is determined by the WSAA networks and is regularly reviewed and updated.

WSAA Product Specifications have been developed to facilitate:

- > appraisal of products;
- > referencing in contract technical documentation such as project specifications and design drawings; and
- > procurement of products and materials for use in construction of water and sewerage networks.

The product specifications are the default requirements for products and materials referenced in the WSAA Codes and Supplements. Product Specifications need some work by the specifier before they can be applied. Options have to be closed out and specific Agency requirements included.

A full set of WSAA Product Specifications can be downloaded from the WSAA website.

## How long does an appraisal take?

***It depends, but a well prepared, application supported by independent type test reports, technical brochures, Water Agency field trials report generally takes between 6 and 14 weeks subject to the following:***

The process time for a product appraisal relies on the completeness of the application. Applicants are encouraged to read the application form and supply as much of the requested information as possible. The appraisal of a quality certified product (ISO Type 5 or equivalent eg StandardsMark) has most of the manufacturing requirements satisfied in terms of the nominated Standard. The appraisal then looks at the 'fitness-for-purpose' characteristics of the product that will determine suitability for water agency use. Therefore appraisal of quality-certified products can be expected to be completed more quickly than those that are submitted without such certification.

The availability of personnel to carry out appraisals may delay the start for a short time but with the use of suitable contractors WSAA does not have to rely on availability of water agency personnel to project manage appraisals. The process usually commences with the appointment of a product appraisal project manager who takes the following actions:

- > Preliminary review of data;
- > Prepare and submit a cost estimate to applicant including any request for additional information, in electronic format for distribution with the Preliminary Review, if required;

- > Distribution to the WSAA Network of a Preliminary Review which fully describes the product and seeks advice on appraisal criteria and any other issues that need to be resolved for the appraisal to be satisfactorily completed. It is distributed by e-mail and generally takes about 4 weeks;
- > Preparation of proposed appraisal criteria; as requested by the WSAA Network;
- > Review of feedback; and
- > Set appraisal criteria including quality requirements.

The expected time for the above actions is about 6 weeks. The time taken for the applicant to respond with requested information and formal acceptance of the estimated cost has been the major cause for delay and progress at this point. It is totally in the hands of the applicant.

On receipt of the requested information and acceptance of the cost estimate the appointed product appraisal project manager actions continue as follows:

- > Evaluate completed product data;
- > Arrange, coordinate and audit installation trials, where required;
- > Prepare draft appraisal report;
- > Submit the draft to the applicant for comment and WSAA Program Manager Asset Creation for 'peer group' review;
- > Issue copy of the completed report to the applicant for final review; and
- > Make any required final changes to the appraisal report and issue to the WSAA Program Manager Asset Creation, for publication.
- > WSAA Program Manager Asset Creation actions include:
- > Publish the Appraisal Report on the WSAA website;
- > Advise the Appraisal Project Manager to provide a copy to the applicant; and
- > Advise WSAA Members and Associates and other urban water industry service providers that the product appraisal is available on the WSAA website by notification in the WSAA website and media alerts.

The expected time for this second stage to complete the appraisal report to publication depends on the complexity of the product and the need or otherwise for installation trials. Experience-to-date suggests between 2 and 8 weeks if installation trials are not required.

The above times are totally dependent on prompt responses by the applicant and perhaps referee organisations nominated by the applicant. Given prompt responses the appraisal can take between 6 and 14 weeks subject to the quality status and complexity of the product.

## What products are eligible for WSAA national product appraisal?

The WSAA will decide which products are eligible for a WSAA national product appraisal, and may refuse to undertake appraisals in relation to particular products or types of products at its sole and absolute discretion. Generally the types of products which will be eligible are those loosely defined as "*strategic engineering products*", which are products that could adversely affect the ability of a water business to meet its licensing and customer contract conditions or its obligations under any Commonwealth, State or Territory law or regulation. The sorts of products that have been appraised are those commonly used in water, sewer and drainage pipeline systems across a number of water businesses.

## When is a product considered strategic?

When its performance (or lack of performance) can pose a demonstrated risk to the objectives of the water business. Remember risk is the combination of consequence and likelihood. The objectives of water businesses will generally focus on their customers, their shareholders, their people and their regulators in areas such as public health, the environment, work health and safety (WHS) and business success.

WSAA in consultation with members of the Infrastructure Product and Material Network will determine if a product group or type is strategic or not.

## How much will the appraisal cost?

***On average, including the application fee, between \$5,000 and \$12,000 depending on the quality status of the product and the general complexity of its assessment. The costs paid by the Product Manufacturer or applicant.***

The WSAA Board requires the product appraisal service to achieve full cost recovery for the activities of the WSAA appraisal project manager and the WSAA Program Manager Asset Creation. In general, fees are set to be consistent with those of engineering consultants. Fees for trials, audits and other activities will be negotiated. WSAA members and associates provide assistance and advice to the project manager free of charge.

The appraisal process has a two-tiered application fee depending on the perceived complexity of the appraisal. The application fee structure is:

Application fee tier	Applied to	\$ (Including GST)
1	Products with full product certification	\$ 1,200.00
2	New or innovative products or products without full product certification	\$ 2,400.00
<b>Project Management</b>		270.00/hour
<b>Quality &amp; Technical Evaluation</b>		270.00/hour

It is difficult to provide specific quotations for the cost of evaluating a product due to the variation in complexity and the negotiation required with many applicants for provision of required documentation. Imported products manufactured to international standards need comparison with local standards and additional descriptive text in the report to inform the WSAA network of variations and the installation/operation effects under Australian conditions. These complexities result in the applicant being provided with an estimated cost by the appraisal project manager with advice that the estimate may increase or decrease depending on the suitability of the information provided.

In addition to the appraisal cost the applicant is responsible for the arrangement and cost of testing where nominated by the appraisal criteria and any negotiation with water agencies for trial installations where required. Any quality management system auditing is also additional to the evaluation work with the cost being borne by the Manufacturer applicant.

## Who will conduct the appraisal?

WSAA will appoint a technical consultant (Appraisal Project Manager) to manage each Product Appraisal applications. The Appraisal Project Manager will conduct the appraisal and draw on the specialist advice from within the Products and Materials Network. The Appraisal Project Manager assesses all the documentation detailing previously conducted testing and trials of the product before seeking input from water businesses into any additional testing requirements and trialing conditions. Copies of overseas standards used to evaluate products will need to be supplied in English. The appraisal project manager will review the quality assurance aspects with the assistance of WSAA Appraisal Network quality specialists. Nominated WSAA members will peer review the draft final report.

## How will products that I source from overseas manufacturers be handled by WSAA with respect to overseas manufacturing standards?

WSAA is primarily interested in demonstrating "fitness for purpose" of the product in typical Australian operating conditions and, in some instances, assessing its impact on the ability of infrastructure networks to meet the licence and customer contract requirements of the urban water utilities. For example, products must be safe for contact with drinking water as nominated in the Australian Drinking Water Guidelines.

In most cases, overseas manufacturing standards will only partially demonstrate "fitness for purpose" and will require additional technical information, and, in some cases, performance testing to meet nominated test requirements. Nevertheless, the Appraisal Project Manager will conduct a comparative review of overseas manufacturing standards to highlight any differences that must be satisfied before appraisal proceeds to a successful completion.

## Who will carry out the testing?

The appointed appraisal project manager will, after identifying the range of tests required by WSAA members and associates, negotiate with the applicant where the testing will be conducted. Preference will be given to NATA or equivalently certified test facilities. In-house testing will be permitted with supervision. The applicant will be responsible for all testing and witnessing costs.

## Do all "strategic" products have to be submitted to WSAA for product appraisal before they can be used in water businesses?

Some products will be project specific or may be used only by an individual water business. If the product requires acceptance for use by a water business, then the applicant and the water business must make a value judgment on whether the WSAA National Product Appraisal System process is appropriate. If the product could have potential usage across a number of water

businesses then there are obvious benefits to be gained in adopting a national approach, not the least of which is achieving a satisfactory level of standardisation of the product across all end users.

## If a product is successfully appraised and is recommended for acceptance, what guarantee is there that it will be accepted by the water agencies?

A WSAA product appraisal is not an approval by any water agency. However, involvement in the process by water agencies usually supports the outcome and individual agency approval/acceptance should be a matter of procedure. Each water agency may individually choose to approve, authorise or accept the product and the appraisal report recommendations. Some agencies, while accepting the appraisal recommendations in principle, may decline accepting the product for reasons other than “fitness-for-purpose”. However, the product should not have to undergo any further technical testing, trialing or other technical evaluation requested by an individual agency. Each WSAA member and participating associate member will have had the opportunity to contribute to the appraisal criteria for the evaluation process. Some water agencies may provide an interim or limited acceptance, which will allow them to further evaluate the product in actual operating conditions over time. It should be remembered that, however thorough the trials may be, there is no substitute for actual in-service monitoring to gauge true product performance and benefits.

## What happens if there are problems during testing, auditing or trialing of a product that cannot be resolved?

***A product appraisal is subject to the “Terms and Conditions” as signed by the applicant to commence the process.***

Following the initial review of the data included with the application the product appraisal project manager will advise the applicant if there is any obvious impediment for acceptance of the product by water agencies. The appraisal project manager will further advise of any change(s) necessary for the product to become a ‘fit-for-purpose’ product for the water industry. Given the applicant is then prepared to make those changes the appraisal can proceed whenever appropriate.

If, during any aspect of an appraisal a product fails to be deemed ‘fit-for-purpose’ in terms of its performance, the quality system requirements, its ease of installation or any other matter, the applicant will be consulted and given the opportunity to make amendment(s) to the product/quality system/or other. If such amendment(s) is not possible the applicant may withdraw the application. If the ‘inappropriate’ product continues to be sold into the water industry WSAA reserves the right to issue a report marked “commercial-in-confidence” to WSAA members outlining the findings of the appraisal process. Further acceptance of the product will be the responsibility of each water agency.

If it becomes apparent that there are significant differences of opinion and interpretation between the applicant and the appraisal project manager, the WSAA Program Manager Asset Creation or the WSAA Executive Director, the “Appeal Process” as described in Section 7 of the Product Appraisal, Terms and Conditions will be implemented.

## What level of confidentiality does this process guarantee?

***Nominated confidential material submitted by the applicant will remain confidential and not copied for publication.***

Nominated confidential material submitted by the applicant to support the appraisal process will remain confidential within the limitations of the appraisal project manager, the WSAA Program Manager Asset Creation and the ‘peer review group’. The report may carry general advice of supportive confidential material subject to any editing nominated by the applicant. No confidential material will be copied for inclusion in the appraisal report. As a matter of practice all test certificates submitted will not be published in the appraisal report unless expressly directed by the applicant to further support any perceived benefits of the product.

## What is the difference between appraisal, approval, authorisation and acceptance?

Appraisal is the WSAA process, the others are internal water utility processes.

## Who can get a copy my appraisal report?

All appraisal reports are posted on the publicly accessible part of the WSAA website as a PDF file with security so that the file can be printed or downloaded and saved in its original format. Where the PDF file size is large the Appendices may be contained into one or more separate files.

## Who is responsible for quality assurance assessment, as it will apply to strategic products?

The quality specialists within the WSAA Products and Materials Network, with oversight from the WSAA Program Manager Asset Creation.

## Will Products be subjected to additional auditing by WSAA as part of the product appraisal?

WSAA does not wish to be in the auditing business. Depending on Suppliers responses to the questions on their quality management system (QMS) in the product appraisal application form, WSAA will conduct an assessment and review in accordance with their procedures. The outcome will vary from full acceptance without the need for any action to a situation where Suppliers may have to pay for a second party WSAA audit of the business and/or that of the manufacturer. Each case will be handled on its merits. The emphasis will be on partnership. WSAA do not wish to prevent business becoming a strategic supplier to the water industry because of their own or their manufacturer's QMS status. However, they must appreciate that WSAA do have a responsibility to limit the risk to the water businesses (for risks within the scope of the appraisal process).

## How will quality assurance requirements be applied to the assessment of new or innovative products?

The WSAA water businesses do not wish to create artificial barriers to new technology and continuous improvement. We are interested in outcomes that will improve our, and hopefully your, business performance. The rules need to be fair and practical. WSAA quality assurance procedures will apply in the first instance. However, to manage unique situations including innovation, WSAA Program Manager Asset Creation, in consultation with relevant stakeholders, will develop an appropriate course of action.

## How will products that are sourced from overseas manufacturers be handled by WSAA with respect to quality assurance?

While it is recognized that certification of a quality management system to ISO 9001 is a significant achievement, WSAA quality assurance procedures place greater emphasis on product certification with respect to strategic products.

Product certification is the preferred quality assurance option since the focus of the certification body is on directly verifying conformance of a particular product to its standard or specification. In addition, application of the certification body's mark onto the product is objective evidence of the manufacturer's declaration of conformance.

Further details on selecting the right quality assurance option for strategic products can be found in the Products and Materials Parts of the Water Supply (WSA 03) and Sewerage (WSA 02) Codes Version 2.3 and Part 1 in Version 3.1.

## How does product certification relate to the appraisal process?

The WSAA product appraisal network accepts strategic products manufactured in compliance with nominated Product Standard and duly certified by means of an ISO Type 5 product certification scheme undertaken by a JAS-ANZ accredited Certification Assessment Body (CAB) or by an international accreditation system recognised by JAS-ANZ.

CAB conducts ISO Type 5 product certification processes that are acceptable, provided that the product standard against which the product is certified reflects the needs of the water businesses. If additional testing is required, this will have to be satisfactorily completed during the normal appraisal process. Similarly, installation trials may be required for products that have product certification before an appraisal report can be issued.

The manufacturer is generally expected to have a production management and control system that has been duly accredited in accordance with AS/NZS ISO 9001 as a prerequisite to undergoing a product certification audit.

## Further Information

If you require further information please contact Carl Radford, WSAA Program Manager Asset Creation on email [carl.radford@wsaa.asn.au](mailto:carl.radford@wsaa.asn.au) or telephone (03) 8605 7601.