

BUILDING PERFORMANCE

Consultation document

MCM SCHEME RULES

Proposed rules for certifying modular
component manufacturers

9 JUNE 2022



Ministry of Business, Innovation and Employment (MBIE) Hīkina Whakatutuki – Lifting to make successful

MBIE develops and delivers policy, services, advice and regulation to support economic growth and the prosperity and wellbeing of New Zealanders.

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How to have your say

The Ministry of Business, Innovation and Employment (MBIE) seeks written submissions on proposed rules for the MCM scheme for modular component manufacturer certification by **5pm on 7 July 2022**.

Your submission may respond to any, or all of the proposed rules. Where possible, please include evidence to support your views – for example, references to independent research, facts and figures, or relevant examples.

- You can provide your feedback by completing a survey online via www.mbie.govt.nz/have-your-say or
- You can download a form at www.mbie.govt.nz/have-your-say and either:
 - email the completed form to building@mbie.govt.nz with the subject line '**MCM consultation 2022**', or
 - post it to:
MCM consultation 2022
Building System Performance
Building Resources and Markets
Ministry of Business, Innovation and Employment
PO Box 1473, Wellington 6140
New Zealand

If you have any questions about the submissions process please email us at building@mbie.govt.nz.

Use and release of information

The information provided in submissions will contribute to MBIE's development of the MCM scheme rules. We may contact submitters directly if we require clarification of any matters in submissions.

Your submission will also become official information, which means it may be requested under the Official Information Act 1982 (OIA). The OIA specifies that information is to be made available upon request unless there are sufficient grounds for withholding it. If we receive a request, we cannot guarantee that feedback you provide us will not be made public. Any decision to withhold information requested under the OIA is reviewable by the Ombudsman.

Please set out clearly in the cover letter or email accompanying your submission if you have any objection to the release of any information in the submission and, in particular, which parts you consider should be withheld and reasons for withholding this information. MBIE will take such objections into account and consult with submitters when responding to requests under the OIA.

Private information

The Privacy Act 1993 establishes certain principles with respect to the collection, use and disclosure of information about individuals by various agencies, including MBIE. Any personal information you supply to MBIE in the course of making a submission will only be used for the purpose of assisting in the development of the MCM scheme rules. Please clearly indicate in the cover letter or email accompanying your submission if you do not wish your name or any other personal information to be included in any summary of submissions that MBIE may publish.

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Interpretation

Accreditation body	MCM certification accreditation body
Building Act	<i>Building Act 2004</i>
Building Code, Code ISO/IEC 17065	New Zealand Building Code, Schedule 1 to the Building Regulations 1992 ISO/IEC 17065: 2013 Conformity assessment – Requirements for bodies certifying products, processes and services
MCM	Modular component manufacturer
MCMCB	MCM certification body
MBIE	Ministry of Business, Innovation & Employment
Regulations	Building (Modular Component Manufacturer Scheme) Regulations 2022
Section	Section of the <i>Building Act 2004</i> unless otherwise specified

Seeking your feedback on proposals for scheme rules

We are seeking your feedback on the proposed Modular Component Manufacturer (MCM) certification scheme rules, which are made by MBIE's Chief Executive under the Building Act 2004. This document provides some context for the proposed scheme rules and suggested questions. A complete draft of the proposed MCM scheme rules is available at www.mbie.govt.nz/have-your-say.

MCM is a voluntary certification scheme, administered by MBIE, which will enable modular component manufacturers to be certified and registered to produce modular building components within a defined scope of practice. These components will be deemed to comply with the Building Code.

The MCM scheme rules (the scheme rules) apply to the scheme parties, which are:

- the MCM certification accreditation body (the accreditation body), an organisation appointed by MBIE to accredit certification bodies to the MCM scheme
- MCM certification bodies (also referred to as MCMCBs), which are the third-party organisations that evaluate modular component manufacturers for certification
- manufacturers of modular components (also referred to as MCMs) that hold current MCM certification.

This consultation will be of interest to the scheme parties and also to:

- building consent authorities, which must accept modular components detailed on a MCM certificate from a certified and registered modular component manufacturer as Building Code compliant (when used in accordance with the conditions on the MCM certificate)
- manufacturers of modular components interested in applying for MCM certification, and
- other users including designers, builders and consumers.

Key dates

7 July 2022	Public consultation period closes
July-Aug 2022	Submissions considered, wording of MCM scheme rules finalised
By 7 Sept 2022	<p>Relevant legislative changes:</p> <ul style="list-style-type: none"> • The parts of the <i>Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Act 2021</i> (the Building Amendment Act) that have not yet come into force will come into force on 7 September 2022. This includes parts relating to the MCM scheme. • Building (Modular Component Manufacturer Scheme) Regulations also expected to come into force. • MCM scheme rules are made.
From date of commencement of Building Amendment Act changes	<p>MCM certification bodies:</p> <ul style="list-style-type: none"> • Can apply to the accreditation body for accreditation under the scheme. • Once accredited, must successfully apply to MBIE for registration before they can accept applications from MCMs for certification under the scheme. <p>MCMs:</p> <ul style="list-style-type: none"> • Can apply to an accredited and registered MCMCB for certification. • Once certified, must successfully apply to MBIE for registration before they can issue MCM certificates for the modular components within its scope of certification.

Context for an MCM scheme

A high performing building and construction industry is crucial to Aotearoa New Zealand's economy and vital for delivering safe, healthy, and durable buildings for everyone.

The building and construction industry is innovating by making use of manufacturing technology and processes to increase productivity. These advances help deliver precise, repeatable, and consistent construction, resulting in high quality products with fewer defects.

However, the current consenting system is not clear about how to treat products and methods that do not align with traditional processes. The Building Act 2004 requires Building Consent Authorities (BCAs) to make judgements about compliance on 'reasonable grounds.' For traditional building work, BCAs can rely on in-person site inspections. However, for offsite construction, in-person inspections can be impractical or create significant delays. Components are often manufactured some distance from where the component will ultimately be installed (off-site and even offshore), or manufactured products may arrive at a building site already enclosed, limiting the effectiveness of visual inspections.

The building regulatory system needs better ways of dealing with these new and innovative construction methods and building components manufactured off-site. The Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Act 2021 (the Building Amendment Act) is one part of the broader Building System Reforms. Phase One of the Reforms is focused on building products, building methods, and the implementation of systems and processes to speed up consenting for new and innovative ways of building, to lift the efficiency and quality of building work, and to provide fairer outcomes if things go wrong.

The Building Amendment Act introduced a new voluntary certification scheme for modular component manufacturers (MCMs). Under this scheme, the entire prefabricated construction process from design, manufacture, assembly, transportation, and installation on-site will be assessed and certified. Third party inspections, audits and post-certification surveillance will ensure certified manufacturers are producing modular components that meet the requirements of the New Zealand Building Code.

Depending on how they meet specified eligibility criteria, a manufacturer can apply for certification to produce modular building components in one of two ways:

- Manufacture only – they can manufacture modular building components to a building code compliant design.
- Design and manufacture – they can manufacture modular building components to a building code compliant design that they have developed or adapted themselves.

Accredited certification bodies and certified manufacturers will also need to be registered by MBIE and comply with the requirements of that registration, which includes a fit and proper person test and for manufacturers, an adequate means test as well to ensure it can cover any civil liabilities that may arise in relation to the manufacture and design (if applicable) of its modular components.

Once registered, a certified manufacturer may issue a manufacturer certificate for a component detailing its compliance with the building code or relevant building consent.

The MCM scheme will operate under the legislative framework provided by the Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Act 2021, Building (Modular Component Manufacturer Scheme) Regulations and specific MCM scheme rules (refer to

Figure 1), most of which will come into force on or before 7 September 2022.¹ The proposals for scheme rules, which are secondary legislation made by MBIE’s Chief Executive, are intended to align with these changes to the Building Act and Regulations, and to support their implementation by providing much of the operational detail for the MCM scheme.

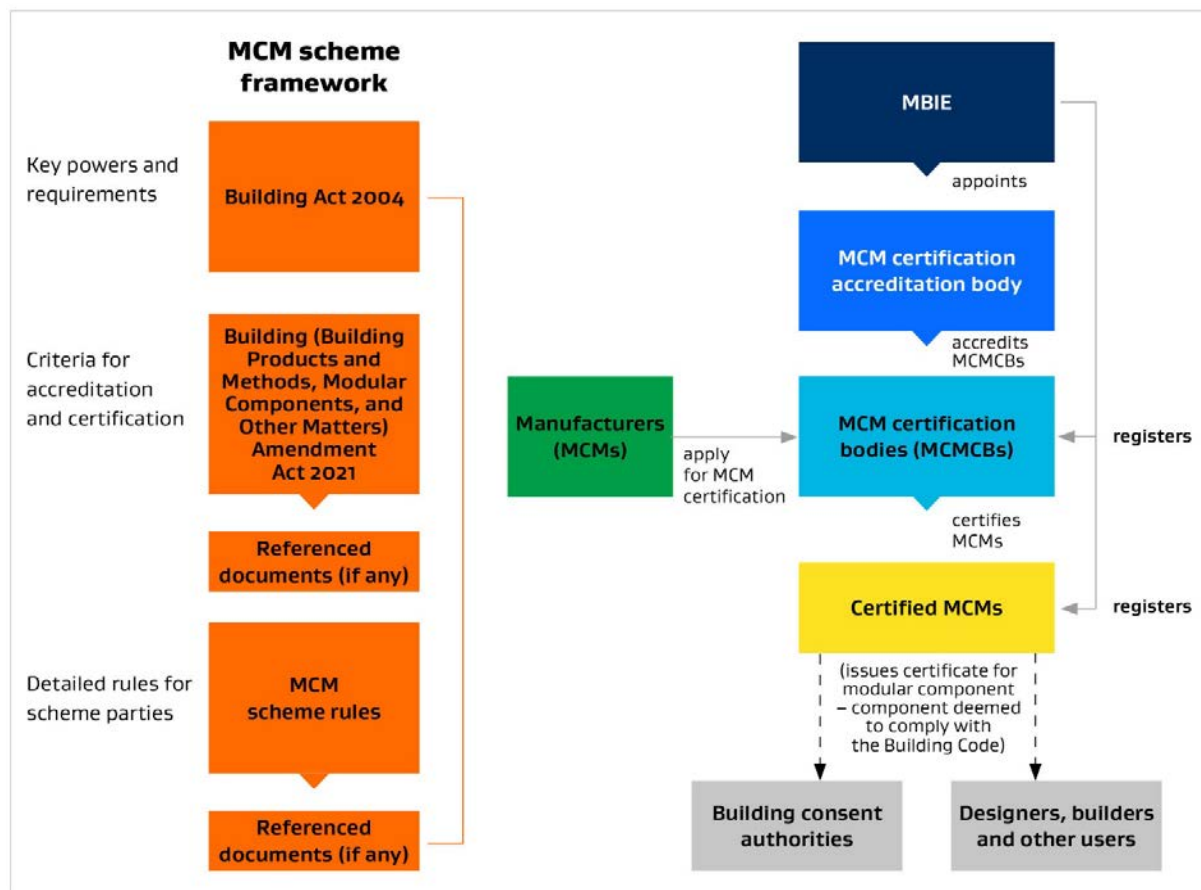


Figure 1: The system for managing modular component manufacturer certification

The proposals for the scheme rules are intended to provide clarity to manufacturers and certification bodies, ensure consistency, and align with regulatory best practice.

MBIE is also developing a name and branding for the scheme which will be released to coincide with the scheme opening for certification bodies in September 2022.

¹Public consultation on proposals for regulations was held in April 2021 (www.mbie.govt.nz/have-your-say/building-system-reform) and policy decisions were made by Cabinet in November 2021 (<https://www.mbie.govt.nz/dmsdocument/18114-building-system-reform-regulations-policy-proposals-to-make-regulations-under-the-building-amendment-act-2021-proactiverelase-pdf>).

What the MCM scheme rules cover

Section 272ZG of the Building Act² (refer to Annex A of this document) specifies the scheme parties, ie who the scheme rules apply to. These are:

- the accreditation body
- accredited MCM certification bodies
- registered MCM certification bodies
- certified modular component manufacturers (whether registered or not).

Section 272ZG also sets out what the scheme rules can cover, which includes rules about how the scheme parties are to perform their functions under the Building Act and rules about how modular component manufacturers are to be evaluated.

In addition, the scheme rules can also supplement regulations made under section 402 of the Building Act (refer to Annex A) with respect to:

- the accreditation body's accreditation of certification bodies
- the certification bodies' certification of modular component manufacturers
- information requirements for manufacturer's certificates.

As the scheme rules are only one part of the legislative framework for the MCM scheme, they should be read in conjunction with the Building Act and supporting regulations.

Other key documents for the operation of this scheme include the international standard ISO/IEC 17065:2013 Conformity assessment – requirements for bodies certifying products, processes and services, which is included by reference in the proposed scheme rules. This standard is followed closely by the accreditation body and certification bodies and includes structural, resource, process and management system requirements.

Further documents supporting the MCM scheme's day-to-day operation include the accreditation body's accreditation manual and arrangements with certification bodies, as well as the certification bodies' own commercial arrangements with manufacturers.

² As amended by the *Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Act 2021*

Discussion: the proposed MCM scheme rules

This part of the consultation discusses the draft of the proposed MCM scheme rules, which is available at www.mbie.govt.nz/have-your-say, in more detail.

Introduction

The introduction to the proposed scheme rules explains the legislative framework for the MCM scheme as well as who and what it applies to. We have also provided an informative Appendix (Appendix 1) to highlight relevant requirements in the Building Act and the Regulations.

Part 1: Preliminary provisions

In this draft for public consultation we have included the full wording of definitions from the Building Act and the Regulations (which are applicable to the scheme rules) in the Interpretation section, as some of these definitions are new or may have changed.

Questions

1. Do you have any comments on the definitions in this Part?

Part 2: Accreditation body requirements

Rules for the MCM accreditation body include a requirement to:

- notify MBIE of any proposed limitations to a certification body's scope of accreditation
- conduct an audit on an accredited certification body if requested by MBIE (outside its usual surveillance cycle)
- provide MBIE with reports regarding its assessments, audits and investigations of certification bodies.

Rules have also been proposed to provide operational detail on how the accreditation body should review a certification body's policies, procedures and systems when undertaking a surveillance audit of a certification body.

Questions

2. Do you think the notification requirements will provide MBIE with appropriate oversight over the performance of accredited certification bodies? If not, what changes do you suggest?
3. Are the surveillance audit requirements sufficient to ensure a certification body has correctly implemented the policies, procedures and systems required for the scheme? If not, what changes do you suggest?
4. Do you have any other comments on the rules in this Part?

Part 3: MCM certification body accreditation requirements

This Part contains the requirements for certification bodies to become accredited.

General requirements

Proposed rules for MCM certification bodies include some of the operational detail needed to support the Building Act and the Regulations. Key requirements include:

Compliance with ISO/IEC 17065:2013 Conformity assessment – requirements for bodies certifying products, processes and services.

The accreditation body assesses a certification body against specified criteria and standards, set out in the regulations, to determine whether a certification body should be accredited to the MCM scheme. ISO/IEC 17065 is an international Standard that provides certification bodies with a set of requirements that enables them to undertake the certification process in an impartial, consistent, and competent manner. The Standard sets out the systems and processes a certification body must demonstrate including quality management systems, evaluation and certification processes including the use of external resources and peer review, surveillance, and complaints and appeals.

MCM certification bodies accredited to the MCM scheme are required to comply with all applicable requirements under this Standard, which provides a consistent approach to the certification of building products, building methods and modular component manufacturers in the NZ context.

Technical competencies

Proposed rules set expectations for the MCM scheme, recognising that the competence of the certification body's staff and contractors is a key factor in establishing whether a certification body can successfully perform its functions, and that evaluation is often a collaborative process. Depending on the scope of certification a manufacturer applies for, staff and contractors carrying out certification functions for the certification body must be able to demonstrate they have detailed and current knowledge of the NZ building regulatory system. This includes building standards and industry practices, specific technical competencies relating to the use of modular components in construction, risk assessment, audits and inspections. Where a manufacturer applies to be certified for both design and manufacture of modular components, certification body staff and contractors must also have competencies relating to design methods and practices.

Part 4: MCM certification body requirements

This section covers the ongoing, detailed requirements that a certification body must continue to meet and maintain once accredited.

Notifications and written records

Rules are proposed to specify that a certification body keep written records of all decisions related to its certification functions, including evaluation plans, audit reports, technical opinions, test reports and detailed rationale that form the basis of certification decisions.

A certification body must also notify MBIE of any changes to the information supplied for their registration with MBIE, as well as providing any information requested by MBIE to assist in an audit of a certification body under section 2720 of the Building Act. These rules will ensure MBIE has appropriate oversight of accredited certification bodies, and that their registration information remains up to date.

Questions:

5. Are the specified technical competencies clear and workable? If not, what changes would you suggest?
6. Do you think the notification rules related to registration requirements provide MBIE with sufficient oversight over certification bodies?
7. Do you have any other comments on the rules in the general requirements section?

Evaluation

These rules cover how MCM certification bodies evaluate modular component manufacturers, and then decide whether to certify them. Figure 2 in the proposed scheme rules summarises the process and highlights applicable requirements in ISO/IEC 17065 for an independent review of the evaluation report.

Pre-evaluation and risk assessments

Feedback from CodeMark product certification bodies and other CodeMark stakeholders was that risk assessments provide a useful framework for determining a conformity assessment profile for building products and building methods under that scheme. Taking this into account, it is proposed that a MCM certification body undertake a risk assessment of an applicant manufacturer to develop a conformity assessment profile for their modular components and to determine audit and inspection requirements.

The proposed risk assessment rules (see Table 1 in the proposed scheme rules) include definitions of risk likelihood and potential consequence to apply when determining the risk ratings based on modular component typology including sub-typologies based on services (eg plumbing, electrical), fire safety and weathertightness. It is also proposed that the certification body undertake separate risk assessments for the manufacture, design (where applicable) and installation of a modular component to allow for a nuanced and thorough conformity assessment profile.

Questions:

8. Are the definitions of modular component type, sub-type, likelihood, and consequence (in Table 1) appropriate for use in the risk assessment? If not, what changes would you suggest?
9. Are there any other factors you think we should add to Table 1 or any you don't think should be there?

Preparing the evaluation plan

Proposed rules for the preparation of an evaluation plan and methodology include requirements that a certification body define the scope of certification and have determined how they will assess the implementation of the policies, procedures and systems contained within the manufacturer's quality management system and design system (if applicable). The evaluation plan must also outline how

the certification body will assess and accept technical information including modular component specification sheets and installation instructions.

The evaluation plan must also detail how the conformity assessment (evaluation) will be conducted including an audit and inspection plan.

There is also a proposal for the certification body to get the applicant's agreement to this plan, estimated costs and timeframes before going ahead, to minimise any issues later.

Questions:

10. Do you agree with the proposed rules for developing an evaluation plan?
11. Is there anything you would change to this wording?

Evaluating the modular component manufacturer

An important part of the certification process is the evaluation of a modular component manufacturer to ensure it complies with the criteria and standards for certification. Evaluation includes an assessment of manufacturer processes, procedures and systems to deliver confidence in the conformity and compliance of its modular components. The rules in this section outline many of the requirements a modular component manufacturer will have to meet to gain certification. For manufacturer requirements, see Parts 5 and 6.

Evaluation is an iterative process which may involve updates to the risk assessments or the evaluation plan (eg if the situation onsite does not reflect the documentation on which the certification body based its initial risk assessments).

Proposed requirements for evaluating a manufacturer include:

- a rule requiring the certification body to document any proposed changes to the evaluation plan and to obtain the applicant's approval before proceeding
- assessing quality plans and quality management systems
- assessing technical opinions submitted by the applicant manufacturer
- requirements for evaluating a manufacturer's technical competencies (dependent on the scope of certification applied for)
- rules for evaluating a manufacturer's processes for written records, and complaints and appeals policies.

Questions:

12. Do you think the evaluation requirements are thorough enough? If not, what changes would you suggest?
13. Do you have any other comments on the rules in this section?

Nonconformities identified during evaluation

During the evaluation, the certification body may find situations where the manufacturer's processes, procedures and systems are not compliant with certification requirements. If this occurs, the certification body must detail the nature and significance of any nonconformities and required actions. Table 3 in the proposed scheme rules describes how a certification body should identify and categorise three levels of nonconformity along with required actions for each (including timeframes for correction by the manufacturer).

Questions:

14. Are the three levels of nonconformity, required actions and timeframes for correction appropriate for evaluative purposes? If not, what changes would you suggest?

Conducting site visits

This section includes proposed rules for:

- **site visits**, which include the requirement that the certification body verify the factors considered in the risk assessments, record any new significant risks, and that they can confirm the implementation of the manufacturer's process, procedures and systems.
- **remote site visits** without an auditor physically present. This type of audit has been carried out more frequently in other product certification schemes in recent years, especially during times of Covid-related travel restrictions. The proposed rule sets a baseline for conducting these audits and will be supported by guidance, eg safety measures to take while filming onsite and appropriate use of technology.
- **installation inspections**, including a review of the installation instructions, transport, handling and storage processes, and verification that compliance can be achieved by competent installers.

Questions:

15. Is the rule relating to remote site visits clear and workable? If not, what do you suggest?
16. Is the rule relating to installation inspections clear and workable? Do you have any suggested changes?

Evaluation report, review and certification decision

These rules cover the final steps before the certification body decides whether to certify the manufacturer. Also refer to Figure 2 of the proposed scheme rules for relevant requirements in ISO/IEC 17065 concerning an independent review of the certification decision.

Questions:

17. Do you have any other comments on the rules relating to evaluation?

Audits, surveillance and inspections

The proposed audit rules require the certification body to follow the same nonconformity process outlined in the evaluation section with the addition of a corrective action request (CAR) step, which will be raised in the event of a nonconformity along with a specified timeframe for correction and closing out of the CAR (see Table 4 in the scheme rules document).

Questions:

18. Do you think the required actions and timeframes for CARs are robust enough?
19. Do you have any other comments on the rules in this section?

Part 5: Modular component manufacturer certification requirements

The proposed rules for modular component manufacturers are designed so a manufacturer can demonstrate its ability to consistently manufacture modular components that will meet customer requirements and regulatory obligations. Manufacturer requirements for certification include:

Design processes and systems

A manufacturer must have documented design processes related to its scope of certification, including an independent peer review process for all designs including for all changes that go beyond a minor variation and suitable technical competencies.

A manufacturer must also produce specification sheets for its modular components which must include a statement of intended use, compliance with the Building Code, transportation, and installation requirements, and testing and/or modelling of prototype design (where applicable).

Quality systems

The rules here are intended to provide relevant provisions whether or not the manufacturer has a management system accredited to ISO 9001:2015 Quality management systems – requirements. Proposed requirements include:

- a requirement for a quality management system that must include details relating to the organisational structure, non-conformance, continuous improvement, inspection management, internal audit policies and procedures, plant maintenance, and health and safety requirements
- a rule that a manufacturer has a quality plan for the modular components within its scope of certification, which must include details of manufacturing processes, traceability information, supply chain dependencies, a product recall procedure, and monitoring, transport, and storage information.

Staff training and technical competencies

A manufacturer must demonstrate that it has the processes, procedures and systems required to assess and review the technical competencies of its employees and contractors. The competencies a manufacturer must demonstrate include a detailed, current knowledge of the building regulatory system, building Standards and industry practices (particularly the application of the Building Code to modular components), an understanding of creating and managing quality plans, risk assessment, transportation and installation of modular components, and manufacturing and supply chain audits.

If a manufacturer is applying to be certified for design and manufacture, it must demonstrate additional competencies including an understanding of design standards, prototyping methods, and the integration and coordination of design information.

Questions:

20. Are the requirements for quality plans and quality management systems thorough enough? If not, what changes would you suggest?
21. Are the specified technical competencies required for a manufacturer clear and workable? If not, what changes would you suggest?

Part 6: Certified modular component manufacturer requirements

This Part covers the requirements for certified MCM's, which includes making sure that the modular components identified in its scope of certification continue to be manufactured in accordance with the quality plan and that the MCM's processes and quality management system are effectively implemented.

Quality systems

Ongoing certified manufacturer requirements include ensuring that the quality management system and quality plan is maintained, and that all modular components continued to be manufactured and installed in accordance with the quality plan.

A certified manufacturer is also required to notify its MCMCB within 5 working days when the controlled copy of the quality plan is updated and specify the reasons for the update.

Design processes

A manufacturer certified for design and manufacture, must continue to maintain the design competencies outlined in Part 5, including the maintenance of written records relating to design decisions.

Staff competencies

The competencies that a certified manufacturer must continue to maintain are those outlined in Part 5. It is proposed that a manufacturer must maintain a suitable training and competency assessment framework for employees and contractors, which includes initial competency assessment and annual reassessment, ensuring that relevant staff are compliant with relevant occupational regulation

schemes (ie prescribed electrical work, sanitary plumbing work), supervision and performance monitoring, and ongoing learning and development procedures.

Notifications and written records

Notification requirements include a proposed rule that a manufacturer must notify the responsible certification body and MBIE immediately of any activation of its recall procedure. It must also notify the responsible certification body of any changes that may impact its certification status. It must notify the responsible certification body and MBIE of any changes that may impact its registration status including any changes to the information initially provided for the fit and proper person test and the adequate means test.

Manufacturers certificates

A certified and registered modular component manufacturer is able to issue a manufacturer certificate for modular components within its scope of certification at building consent application stage and then again at code compliance certificate application stage. The certificate is essentially a statement that the component has been produced according to all certification requirements and is compliant with Building Code. Information requirements for a manufacturer certificate are detailed in the regulations.

Rules are proposed that written records must be kept of all manufacturer certificates it issues for its modular components including the purpose of the certificate, the building consent number, the BCA the certificate is provided to and the property address relating to the installation of the component detailed on the certificate.

The manufacturer must also notify MBIE and the certification body of all certificates it has issued on a quarterly basis.

Questions:

22. Do you agree with the proposed rules for quality plans and quality management systems? If not, what changes would you suggest?
23. Are the ongoing staff training and competency requirements clear and workable? If not, what changes would you suggest?
24. Do you think the requirements for written records and notifications provide sufficient oversight? Is there anything else you would suggest?

Appendix 1: The MCM scheme framework

Appendix 1 is for information and guidance only. It highlights relevant legislative requirements for the MCM scheme.

Questions:

25. Are there any other comments on the rules that you would like to add?

Annex A: The legislation

The following extracts are from the *Building Act 2004* as amended by the *Building (Building Products and Methods, Modular Components, and Other Matters) Amendment Act 2021* (these amendments will come into force on or before 7 September 2022).

272ZG MCM scheme rules

- (1) The chief executive may make rules for the operation of the modular component manufacturer certification scheme under this subpart.
- (2) The rules may (without limitation) include rules relating to 1 or more of the following:
 - (a) how the scheme parties are to perform their functions under this Act;
 - (b) how modular component manufacturers are to be evaluated;
 - (c) resolution of disputes between scheme parties;
 - (d) procedural and administrative matters.
- (3) The rules may also supplement regulations made under section 402(1)(ub)(i), (ii)(B), or (ii)(C), or (uc)(i), (ii)(B), or (ii)(C).
- (4) However, the chief executive must not make rules under subsection (3) unless satisfied that the rules—
 - (a) set out matters of detail to elaborate on matters provided for in the regulations; or
 - (b) set out procedures, methodologies, forms, or other matters of an administrative nature relating to matters provided for in the regulations; or
 - (c) set out how requirements imposed by the regulations may or must be met; or
 - (d) otherwise supplement matters of general principle set out in the regulations.
- (5) In this section, **scheme party** means any of the following:
 - (a) the MCMC accreditation body;
 - (b) an accredited MCMCB;
 - (c) a registered MCMCB;
 - (d) a certified MCM;
 - (e) a registered MCM.
- (6) Rules made under this section are secondary legislation (see Part 3 of the Legislation Act 2019 for publication requirements).

402 Regulations: general

- (1) The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations for all or any of the following purposes:
 - (ua) prescribing the kinds of building products that are modular components for the purposes of the definition of modular component in [section 7](#);
 - (ub) prescribing, in relation to modular component manufacturer certification bodies,—
 - (i) for the purposes of section 272J(1),—
 - (A) requirements for policies, procedures, and systems;
 - (B) other criteria and standards for accreditation;
 - (ii) in relation to audits under section 272K,—
 - (A) the frequency with which audits must be conducted;
 - (B) matters that an MCMC accreditation body must take into account in carrying out an audit;
 - (C) other requirements that an MCMC accreditation body must comply with in carrying out an audit;

- (D) the fees payable for an audit or the rate at which, or method by which, those fees are to be calculated:
- (iii) for the purposes of section 272N,—
 - (A) requirements to have adequate means to cover civil liabilities:
 - (B) other criteria and standards for registration:
- (uc) prescribing, in relation to modular component manufacturers,—
 - (i) the purposes of section 272U(1),—
 - (A) requirements for policies, procedures, and systems:
 - (B) other criteria and standards for certification:
 - (ii) in relation to audits under section 272V,—
 - (A) the frequency with which audits must be conducted:
 - (B) matters that a registered MCMCB must take into account in carrying out an audit:
 - (C) other requirements that a registered MCMCB must comply with in carrying out an audit:
 - (iii) for the purposes of section 272Y,—
 - (A) requirements to have adequate means to cover civil liabilities:
 - (B) other criteria and standards for registration:
- (ud) prescribing the information to be included in, and other requirements for, manufacturers' certificates for modular components for the purposes of section 272ZF: