

S22

From: s22
Sent: Thursday, 11 February 2021 11:04 AM
To: s22 @industry.gov.au>
Cc: s22 @industry.gov.au>; s22 @industry.gov.au>
Subject: FW: Dep Sec/s22 Weekly Update - due 3pm Thurs 11 Feb [SEC=PROTECTED, CAVEAT=SH:CABINET]
Importance: High

s22

Do you have anything to add to Luise's points for the week (Luise's/s22 Weekly Update)?

The template has changed so it's much higher level and targeted now. I think I'm a nil on the domestic side. There is a meeting in there from this week which ill delete but just keeping it in as an example for the mo.

Cheers

-I've included our weekly point to Alison below are as reminder:

This week – kev items

S22

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- Continue preparations and liaison with DFAT ahead of the WTO TBT Committee Meeting on Wednesday 24 – Friday 26 February.
 - Work with DFAT to finalise Specific Trade Concerns to be raised at the meeting.
 - Consult line areas on views to s22 provide advice to DFAT on departmental views on the coal quality issues

s22

Trade and International
Strategic Policy Division

Department of Industry, Science, Energy and Resources

Industry House, Level 12
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GPO Box 9839, Canberra ACT 2601
Ph: s22

[@industry.gov.au](mailto:s22@industry.gov.au)

Internet: www.industry.gov.au

PROTECTED//CABINET

From: s22

Sent: Thursday, 11 February 2021 10:27 AM

To: s22

Cc: s22

Subject: RE: Dep Sec/ Weekly Update - due 3pm Thurs 11 Feb [SEC=PROTECTED, CAVEAT=SH:CABINET]

Hi All

Just a reminder to please add any input you may have for the Dep Sec update **by 3pm this afternoon.**

Or please also let me know if it's nil from your team this week.

Many thanks

s22

Alison Drury - Trade and International Branch
Lila Oldmeadow - Strategic Policy Branch
Strategic Policy Division

s22 @industry.gov.au

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PROTECTED//CABINET

From: s22

Sent: Wednesday, 10 February 2021 3:24 PM

To: s22 @industry.gov.au>; s22 @industry.gov.au>;
s22 @industry.gov.au>; s22 @industry.gov.au>; s22 @industry.gov.au>; s22
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@industry.gov.au>

Cc: s22 @industry.gov.au>; s22 @industry.gov.au>

Subject: Dep Sec/ Weekly Update - due 3pm Thurs 11 Feb [SEC=PROTECTED, CAVEAT=SH:CABINET]

Dear All

Could you please add any input into [Luise's/s22 Weekly Update](#) by **3pm tomorrow, Thursday 11 February?**

Please note the format of the update has been changed to include three tables only. s22 has included guidance to complete the table within the linked document. Table 3 has been added more recently and is updated by the Governance team.

If you could please provide your content (or reply 'nil') by 3pm tomorrow, Thursday 11 February and let me know when you have done so, it would be very much appreciated.

GM's will be clearing input tomorrow afternoon.

Please feel free to get in touch with me or S22 if you have any questions.

Thank you.

Kind regards

s22

Alison Drury - Trade and International Branch

Lila Oldmeadow - Strategic Policy Branch
Strategic Policy Division

s22

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PROTECTED//CABINET

Archived: Wednesday, 16 June 2021 12:03:50 PM

From: s22

Mail received time: Fri, 26 Feb 2021 11:40:16

Sent: Fri, 26 Feb 2021 11:40:15

To: s22

Cc: s22

Subject: RE: NTB Advisory Group - Draft Annotated Agenda - comments/suggested changes due COB Friday 26 February [SEC=OFFICIAL]

Importance: Normal

Sensitivity: None

Attachments:

s22

Hi s22 , just before I send to Resources, how does this sound for Coal (my additions in red):

- DISER

- China: restrictions on Australian coal exports

- China applies measures to restrict coal imports s33(a)

- this includes regulations on coal quality certification (since 2014), unofficial annual import volume caps (since late 2018), and port closures or infrastructure constraints

- The requirement for Australian coal to be tested upon arrival in China, rather than accepting Australian testing and certification as meeting the coal standards, has previously caused delays and added costs to trade for Australia's coal exporters.

- Processing at ports was further delayed in response to COVID-19.

- s33(a)

, we have:

- Raised China's coal import policies as a specific trade concern at the 26 February 2020 WTO Technical Barriers to Trade Committee meeting.

- Proposed China accept the coal test results from National Association of Testing Authorities (NATA)-accredited, Australia-based independent laboratories. These NATA-accredited laboratories have the capability to meet China's coal testing and certification coal standards.

- Going forward we aim to:

- Make further comments to revisions to China's coal law as appropriate, including liaising with key partner agencies for a coordinated response.

- Continue to encourage China to accept the Australian coal test results under the existing International Laboratory Accreditation Cooperation Mutual Recognition Arrangement (ILAC MRA), to which China and Australia are both signatories.

- Continue to raise concerns bilaterally and in multilateral fora as appropriate.

- Invite comments.

s22

Cheers,

s22

OFFICIAL

From: s22

Sent: Friday, 26 February 2021 11:12 AM

To: s22

Cc: s22

Subject: RE: NTB Advisory Group - Draft Annotated Agenda - comments/suggested changes due COB Friday 26 February [SEC=OFFICIAL]

Thanks s22 – on coal, just put together what you can find and then we can run that by Resources.

Cheers

s22

OFFICIAL

From: s22

Sent: Friday, 26 February 2021 9:48 AM

To: s22 <@industry.gov.au>

Cc: s22 <@industry.gov.au>

Subject: RE: NTB Advisory Group - Draft Annotated Agenda - comments/suggested changes due COB Friday 26 February [SEC=OFFICIAL]

Sounds good s22, thanks for this advice. I'll get on it. Would you still like me to ask the coal team for an update or just go with the most recent advice we've had?

Cheers, s22

OFFICIAL

From: s22

Sent: Thursday, 25 February 2021 7:22 PM

To: s22 <@industry.gov.au>

Cc: s22 <@industry.gov.au>

Subject: RE: NTB Advisory Group - Draft Annotated Agenda - comments/suggested changes due COB Friday 26 February [SEC=OFFICIAL]

Hi s22,

Further to our earlier discussion on this, please update as much as you reasonably can (for coal, I think incorporating the approach s22 took at the last meeting would be good. s33(a); s47C

Once you have updated the points, we can share with s22 and get his views.

Cheers

s22

OFFICIAL

From: s22

Sent: Thursday, 25 February 2021 3:24 PM

To: s22 <s22@industry.gov.au>

Cc: s22 <s22@industry.gov.au>

Subject: RE: NTB Advisory Group - Draft Annotated Agenda - comments/suggested changes due COB Friday 26 February [SEC=OFFICIAL]

Hi s22 ,

FYI DFAT have asked for feedback on their annotated agenda by **tomorrow COB**.

They have proposed text for agencies to “provide an update on key issues on which they lead”.

DISER has been put down to speak to the following NTBs – I’ll check through recent briefs/inbox for any further updates, but see my initial comments in red regarding remit:

- **China: restrictions on Australian coal exports** We are co-lead with DFAT (this is a First-tranche focus NTB – Graeme updated on this at the last Industry Advisory Group meeting (see meeting record attached) – will check for further updates since then)
 - China applies measures to restrict coal imports s33(a)
 - this includes regulations on coal quality certification (since 2014), unofficial annual import volume caps (since late 2018), and port closures or infrastructure constraints
 - Processing at ports was further delayed in response to COVID-19
 - s33(a) we aim to:
 - Make further comments to revisions to China’s coal law as appropriate
 - Continue to raise concerns bilaterally and in multilateral fora such as the WTO s33(a)
 - Invite comments.

s22

s22

- Invite comments.

s22

- Invite comments.

s22

- Invite comments.

Cheers,

s22

OFFICIAL

From: s47F [@dfat.gov.au](mailto:dfat.gov.au)

Sent: Wednesday, 24 February 2021 4:38 PM

To: s22 [@industry.gov.au](mailto:industry.gov.au); s22 [@industry.gov.au](mailto:industry.gov.au)

Subject: FW: NTB Advisory Group - Draft Annotated Agenda - comments/suggested changes due COB Friday 26 February [SEC=OFFICIAL]

OFFICIAL

As discussed earlier.

Cheers

s47F

From: Non-Tariff Barriers <NTB@dfat.gov.au>

Sent: Wednesday, 24 February 2021 4:09 PM

To: s22 @industry.gov.au; s47F @austrade.gov.au
s47F @austrade.gov.au; s47F @austrade.gov.au; s47F @awe.gov.au

Cc: s47F @awe.gov.au; Alison.Drury@industry.gov.au; s47F @austrade.gov.au; Non-Tariff Barriers <NTB@dfat.gov.au>

Subject: NTB Advisory Group - Draft Annotated Agenda - comments/suggested changes due COB Friday 26 February [SEC=OFFICIAL]

OFFICIAL

Dear colleagues

Attached is a draft annotated agenda for next week's NTB Advisory Group meeting (Tuesday, 2 March, 930-11am).

We propose to focus the discussion in these meetings on specific NTBs of concern, invite comment from peak bodies on these issues and ask for identification of additional NTBs of concern to their respective memberships.

We have also indicated specific speaking roles for partner agencies who lead on respective focus NTBs. In light of this we have included draft points, drawing on the focus NTB strategies.

We would be grateful for your comments and suggested changes by COB Friday 26 February.

Kind regards

NTB Team

Archived: Wednesday, 16 June 2021 12:04:26 PM

From: s22

Mail received time: Fri, 26 Feb 2021 12:52:12

Sent: Fri, 26 Feb 2021 12:52:11

To: s22

Cc: s22

[Trade Facilitation](#)

Subject: RE: REQUEST FOR UPDATE TODAY - China: Restrictions on Australian coal imports - points for NTB Industry Advisory Group meeting [SEC=OFFICIAL]

Importance: Normal

Sensitivity: None

Thanks s22

We have no issues with the points proposed.

Kind regards,

s22

s22

International Strategy and Engagement

Resources Division

s22 [@industry.gov.au](mailto:s22@industry.gov.au)

Department of Industry, Science, Energy and Resources | www.industry.gov.au

'Our department recognises the First Peoples of this nation and their ongoing connection to culture and country. We acknowledge First Nations Peoples as the Traditional Owners, Custodians and Lore Keepers of the world's oldest living culture and pay respects to Elders past, present and emerging.'

OFFICIAL

From: s22

Sent: Friday, 26 February 2021 12:33 PM

To: s22

Cc: s22

[Trade Facilitation](#)

Subject: REQUEST FOR UPDATE TODAY - China: Restrictions on Australian coal imports - points for NTB Industry Advisory Group meeting [SEC=OFFICIAL]

Hi s22

I've recently joined the Trade Facilitation team.

DFAT is hosting the Non-Tariff Barriers (NTBs) Industry Advisory Group meeting on Tuesday 2 March next week.

The meeting will provide an update to industry groups on the NTB Action Plan, partner agency updates on progress against key NTB issues, and seek updates from industry representatives on the significant NTBs impacting their sectors.

Our manager, s22 will attend on DISER's behalf and speak to a range of focus NTBs on which we lead – this includes the NTB issue 'China: Restrictions on Australian coal imports'. I understand you've engaged with my colleagues previously on this matter.

As part of the annotated agenda for the meeting, we've have the below points for s22 to provide update on the coal matter. We'd be very grateful if you could please review these and let us know if you have any further updates that should be included here, including progress relating to the import volume caps, redlines or any necessary amendments based on recent developments.

- DISER

- China: restrictions on Australian coal exports

- China applies measures to restrict coal imports s33(a)

- this includes regulations on coal quality certification (since 2014), unofficial annual import volume caps (since late 2018), and port closures or infrastructure constraints

- Processing at ports was further delayed in response to COVID-19

- s33(a)

we aim to:

- Make further comments to revisions to China's coal law as appropriate

- Continue to raise concerns bilaterally and in multilateral fora. such as the WTO s33(a)

- Invite comments.

We need to get back to DFAT with our points by **COB today**, so very grateful for your swift feedback – apologies for short timeframe.

Many thanks in advance.

Kind regards,

s22

Trade and International Branch | Strategic Policy Division

Department of Industry, Science, Energy and Resources | www.industry.gov.au

Ph: s22

[@industry.gov.au](https://www.industry.gov.au)

PROTECTED

From: Trade Facilitation

Sent: Monday, 20 April 2020 4:15 PM

To: Resources Coordination <resourcescoordination@industry.gov.au>

Cc: s22 <s22@industry.gov.au>; s22 <s22@industry.gov.au>; s22 <s22@industry.gov.au>; s22 <s22@industry.gov.au>; s22 <s22@industry.gov.au>

Subject: FOR ACTION - China Coal domestic lab testing issues [SEC=PROTECTED]

Hi colleagues

I am forwarding this request from DFAT below as part of the coal issue recently reported in the media (see my previous email below). Please note as a result of this development, s33(a)

Please feel free to liaise with the Trade Facilitation team to discuss approach and next steps and we'll be happy to channel media related information to DFAT.

Kind regards


s22

Trade Facilitation Section
Trade and International Branch
Strategic Policy Division

s22 <s22@industry.gov.au>

Department of Industry, Science, Energy and Resources | www.industry.gov.au

Supporting economic growth and job creation for all Australians

 The department acknowledges the traditional owners of the country throughout Australia and their continuing connection to the land, sea and community. We pay our respect to them and their cultures and to the elders past and present.

PROTECTED

From: s47F @dfat.gov.au
Sent: Monday, 20 April 2020 3:22 PM
To: Trade Facilitation <TradeFacilitation@industry.gov.au>; s22 @industry.gov.au>
Cc: s22 @industry.gov.au>; s22 @industry.gov.au>;
s47F @dfat.gov.au>; s47F @dfat.gov.au>; s47F @dfat.gov.au>; s47F @dfat.gov.au>; s47F @dfat.gov.au>; s47F @dfat.gov.au>
Subject: RE: China Coal domestic lab testing issues [SEC=PROTECTED]

Hi s22

Thanks for sending this through. We'd be grateful if the coal team at DISER could share any Media talking points or other material regarding this issue with OTN and the China Economic and Trade team (s47F).

On the TBT STC, we propose not raising China coal for the May STC exchange.

I'd be happy to discuss this further with Trade Facilitation and the coal team - im on s47F

Regards,

s47F

From: Trade Facilitation <TradeFacilitation@industry.gov.au>
Sent: Monday, 20 April 2020 2:10 PM
To: tbt enquiry <tbt.enquiry@dfat.gov.au>; s47F @dfat.gov.au>; Non-Tariff Barriers
<NTB@dfat.gov.au>; s47F @dfat.gov.au>; s47F @dfat.gov.au>; s47F @dfat.gov.au>
Cc: Trade Facilitation <TradeFacilitation@industry.gov.au>; s22 @industry.gov.au>; s22 @industry.gov.au>
Subject: FW: China Coal domestic lab testing issues [SEC=PROTECTED]

Dear colleagues

We wanted to inform you that a colleague from the [National Association of Testing Authorities](#) (NATA) has contacted us to flag an issue concerning testing coal for China exports. NATA has just been made aware that a large testing lab that they accredit seems to have been falsifying test reports on the quality and value of coal being exported to China for some time^{633(a)}. As much as \$195 million worth of coal shipments to Asia could have been impacted. The matter is now being picked up by the police for fraud. The articles are here: <https://www.canberratimes.com.au/story/6716116/newcastle-lab-at-centre-of-international-fake-coal-analysis-scandal/?cs=14231>
<https://www.newcastleherald.com.au/story/6717048/tampering-with-lab-results-an-open-secret-in-the-hunter-valley-coal-industry/>

NATA have only just started making their own investigations about what this will mean for accreditation of the lab involved and TBT related concerns. They will keep us updated.

Please do not hesitate to contact me if you have any questions at this stage.

Kind regards

s22


Trade Facilitation Section
Trade and International Branch
Strategic Policy Division

s22

[@industry.gov.au](mailto:industry.gov.au)

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Supporting economic growth and job creation for all Australians

 *The department acknowledges the traditional owners of the country throughout Australia and their continuing connection to the land, sea and community. We pay our respect to them and their cultures and to the elders past and present.*

For Official Use Only
PROTECTED

From:

To: s22

Subject: NATA meeting- few points on coal issue - NATA & DISER Trade Facilitation _ international engagement catch-up [SEC=OFFICIAL:Sensitive]

Importance: Normal

Sensitivity: None

Archived: Wednesday, 16 June 2021 11:31:11 AM

NATA meeting

For agenda item **WTO TBT Committee – preparations for October 2020 and beyond; including any updates from NATA related to coal testing accreditation issues (ALS Newcastle)** - Just a few back ground points for our benefit and only if raised:

- China has been applying a range of unofficial import restrictions on coal since 2014, including measures associated with coal quality testing.
- The requirement for Australian coal to be tested upon arrival in China, rather than accepting Australian testing and certification as meeting the coal standards, has previously **caused delays and added costs** to trade for Australia's coal exporters.

China: Restrictions on Australian coal imports (including through quality testing)

- The Australian delegation to the WTO Technical Barriers to Trade Committee meetings has regularly raised China's coal import policies as a Specific Trade Concern most recently at the 26 February 2020 meeting (the issue was not raised at the May meeting) .
- The requirement for Australian coal to be tested upon arrival in China, rather than accepting Australian testing and certification as meeting the coal standards, has previously caused delays and added costs to trade for Australia's coal exporters.
- In April this year, there were **fraud allegations** against an Australian testing laboratory from Company ALS Newcastle Coal Services, accredited by NATA. The matter was investigated by the NSW police.

- **NATA has been working with ALS and its risk management team** to better understand the specific issues arising from the independent investigation into ALS coal certification.
- **NATA has conducted an investigation** about how the results of the independent investigation into ALS coal certification will affect accreditation of the laboratories involved and any TBT related concerns.
- **NATA is confident that the policies and procedures put in place by ALS subsequent to the independent investigation will prevent any recurrence of unauthorised amendment of laboratory results.**
- **NATA has engaged with other accredited coal certification agencies** to ensure they have safeguards in place to prevent fraudulent amendment of coal certificates.
 - NATA accreditation of a laboratory is obtained by showing competence and capability in the relevant testing activity, making sure that there are competent staff with calibrated equipment housed in appropriate facilities using validated methods to produce reliable data. Accreditation is conditional upon ongoing compliance. Assessments are typically done every 18 months. NATA reviews some test reports during the assessment process. Accreditation is not designed, nor well suited to forensic level audits of the honesty of staff.

China coal law

- China's National Development and Reform Commission (NDRC) has recently released **a draft revision of the Coal Law** of the People's Republic of China for public comment. [s22](#)

[s22](#)

s22

- Based on the existing International Laboratory Accreditation Cooperation Mutual Recognition Arrangement (ILAC MRA), to which China and Australia are both signatories, Australia has proposed China accept the coal test results from National Association of Testing Authorities (NATA) accredited, Australia-based independent laboratories. These NATA-accredited laboratories have the capability to meet China's coal testing and certification coal standards.

s22

s22

-----Original Appointment-----

From: Trade Facilitation

Sent: Wednesday, 19 August 2020 5:27 PM

To: Trade Facilitation; s47F

@nata.com.au); s47F

@nata. com. au

s47F @nata.com.au); s47F

@nata.com.au); s22

Cc: s22

Subject: NATA & DISER Trade Facilitation – international engagement catch-up [SEC=OFFICIAL]

When: Monday, 31 August 2020 10:30 AM-11:30 AM (UTC+10:00) Canberra, Melbourne, Sydney.

Where: Teleconference - details in email body

Teleconference details:

.....
[→ Join Skype Meeting](#)

Trouble Joining? [Try Skype Web App](#)

Join by phone

s22 (Australia)

English (Australia)

[Find a local number](#)

Conference ID:s22

[Forgot your dial-in PIN?](#) [Help](#)

To join using Jabber or any VC platform with SIP/H.323 endpoints, call s22 @video.industry.gov.au and enter the conference ID:^{s22}

s22

.....
Potential agenda highlighted inline:

From: s22 @industry.gov.au
Sent: Tuesday, 18 August 2020 2:12 PM
To: s47F
Cc: s22 Trade Facilitation
Subject: NATA & DISER Trade Facilitation – proposed international catch-up [SEC=OFFICIAL]

Dear NATA colleagues

Hope you are all keeping well.

DISER Trade Facilitation thought it would be beneficial to come together for an informal chat (one hour) about international engagement issues for the next 6-12 months.

We would like to propose a virtual meeting next week, where we can provide updates on current activities and discuss future priorities. Our team is available anytime Thursday 27/8 (excluding 12.00-2.00 pm, 3.00-3.45 pm) and Friday 28/8 (excluding 12.00-2.00 pm). If availability is difficult for you next week, we're happy to be flexible.

We would welcome your thoughts on a possible high-level agenda. Some items we would like to touch on (please feel free to supplement):

s22

• WTO TBT Committee – preparations for October 2020 and beyond; including any updates from NATA related to coal testing accreditation issues (ALS Newcastle)

s22

We currently use Skype for Business for teleconference meetings. Please let us know if that works for you – it also has the option to dial in from a telephone where necessary. Otherwise happy to send more traditional teleconference dial-in details.

Look forward to talking soon,

s22

s22

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Department of Industry, Science, Energy and Resources | www.industry.gov.au

Ph: s22

[@industry.gov.au](mailto:industry@industry.gov.au)

OFFICIAL:Sensitive

NATA & DISER Trade Facilitation – international engagement catch-up [SEC=OFFICIAL]

Monday, 31 August 2020 10:57 AM

Meeting Date: s22

Location: Teleconference - details in email body

Link to Outlook Item: [click here](#)

Invitation Message

Teleconference details:

s22

Potential agenda highlighted inline:

From: s22

[@industry.gov.au](#)

Sent: Tuesday, 18 August 2020 2:12 PM

To: s47F

Cc: s22

Trade Facilitation

Subject: NATA & DISER Trade Facilitation – proposed international catch-up [SEC=OFFICIAL]

Dear NATA colleagues

Hope you are all keeping well.

DISER Trade Facilitation thought it would be beneficial to come together for an informal chat (one hour) about international engagement issues for the next 6-12 months.

We would like to propose a virtual meeting next week, where we can provide updates on current activities and discuss future priorities. Our team is available anytime Thursday 27/8 (excluding 12.00-2.00 pm, 3.00-3.45 pm) and Friday 28/8 (excluding 12.00-2.00 pm). If availability is difficult for you next week, we're happy to be flexible.

We would welcome your thoughts on a possible high-level agenda. Some items we would like to touch on (please feel free to supplement):

s22

s22

- WTO TBT Committee – preparations for October 2020 and beyond; including any updates from NATA related to coal testing accreditation issues (ALS Newcastle)

s22

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Look forward to talking soon,

s22

Trade and International Branch | Strategic Policy Division

Department of Industry, Science, Energy and Resources | www.industry.gov.au

Ph: s22

[@industry.gov.au](mailto:industry.gov.au)

Participants

-  [Trade Facilitation](#) (Meeting Organizer)
-  s47F [@nata.com.au](mailto:s47F@nata.com.au)
-  s47F [@nata.com.au](mailto:s47F@nata.com.au)
-  s47F [@nata.com.au](mailto:s47F@nata.com.au)
-  s22
- 
- 
- 

Notes

Agenda

We would welcome your thoughts on a possible high-level agenda. Some items we would like to touch on (please feel free to supplement):

s22

- WTO TBT Committee – preparations for October 2020 and beyond; including any updates from NATA related to coal testing accreditation issues (ALS Newcastle)

s22

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s22

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s22

s33(a)

Q/A

s33(a)

s22

s22

Archived: Wednesday, 16 June 2021 11:29:44 AM

From: s22

Mail received time: Tue, 8 Sep 2020 10:24:16

Sent: Tue, 8 Sep 2020 10:24:16

To: s22

Subject: FW: NATA and China Coal domestic lab testing issues [SEC=OFFICIAL:Sensitive]

Importance: Normal

Sensitivity: None

S22

s22

Trade and International
Strategic Policy Division

Department of Industry, Science, Energy and Resources

Industry House, Level 12

10 Binara Street, Canberra City, ACT 2601

GPO Box 9839, Canberra ACT 2601

Ph: s22

[@industry.gov.au](mailto:s22@industry.gov.au)

Internet: www.industry.gov.au

OFFICIAL:Sensitive

From: s22

Sent: Monday, 17 August 2020 4:29 PM

To: s22 <s22@industry.gov.au>

Subject: RE: NATA and China Coal domestic lab testing issues [DLM=For-Official-Use-Only]

No worries s22 , I thought so - just wanted to double check before I contact s47F . Thanks !

From: s22

Sent: Monday, 17 August 2020 4:28 PM

To: s22 <s22@industry.gov.au>

Subject: RE: NATA and China Coal domestic lab testing issues [DLM=For-Official-Use-Only]

Hi s22

I haven't had any more interactions with NATA since then. I just happened to take the call at the time. I understand that the coal team worked though s22 to get some more info at various points in time. s22 would know more. s47F would likely still be the relevant contact.

Cheers

s22

Trade and International
Strategic Policy Division

Department of Industry, Science, Energy and Resources

Industry House, Level 12

10 Binara Street, Canberra City, ACT 2601

GPO Box 9839, Canberra ACT 2601

s22

Email: s22 @industry.gov.au
Internet: www.industry.gov.au

For Official Use Only

From: s22
Sent: Monday, 17 August 2020 4:23 PM
To: s22 @industry.gov.au>
Subject: NATA and China Coal domestic lab testing issues [DLM=For-Official-Use-Only]

Hi s22

I am just touching base on the issue of coal testing from April. s33(a)

. Before I do so, I just wanted to touch base with you to check if you have had any further discussions with NATA on this issue or if you heard anything on this issue, following your email from 17 April?

Cheers
s22

From: s22
Sent: Friday, 17 April 2020 1:36 PM
To: s22 @industry.gov.au>; s22 @industry.gov.au>; s22 @industry.gov.au>
Cc: Trade Policy Section <TariffTradePolicy@industry.gov.au>; s22 @industry.gov.au>
Subject: China Coal domestic lab testing issues [DLM=For-Official-Use-Only]

Hi All

s47F from NATA called to flag a China coal TBT related issue. NATA has just been made aware that a large testing lab that they accredit seems to have been falsifying test reports on the quality and value of coal being exported to China for some time. s33(a) As much as \$195 million worth of coal shipments to Asia could have been impacted. The matter is now being picked up by the police for fraud. The articles are here:

<https://www.canberratimes.com.au/story/6716116/newcastle-lab-at-centre-of-international-fake-coal-analysis-scandal/?cs=14231>

<https://www.newcastleherald.com.au/story/6717048/tampering-with-lab-results-an-open-secret-in-the-hunter-valley-coal-industry/>

NATA have only just started making their own investigations about what this will mean for accreditation of the lab involved and TBT related concerns. They will keep us updated. s22 , in s22 absence you may want to share with our coal team and possibly other TBT contact points s33(a)

s22

Regards

s22

Trade and International
Strategic Policy Division

Department of Industry, Science, Energy and Resources

Industry House, Level 12
10 Binara Street, Canberra City, ACT 2601
GPO Box 9839, Canberra ACT 2601

Ph: s22

[@industry.gov.au](mailto:industry.gov.au)

Internet: www.industry.gov.au

From: Cisco Unity Connection Messaging System [<mailto:unityconnection@industry.gov.au>]

Sent: Friday, 17 April 2020 11:46 AM

To: s22

Subject: Message from Unknown sender s22

For Official Use Only

From: s22
Sent: Tue, 1 Sep 2020 05:28:18 +0000
To: s22 @industry.gov.au>
Subject: RE: (rough notes) NATA & DISER Trade Facilitation - international engagement catch-up [SEC=OFFICIAL]

Hey - these are all backed up on DocHub automatically when I put them into One Note, so all squared away on the archiving side of things.

OFFICIAL

From: s22
Sent: Monday, 31 August 2020 1:06 PM
To: s22
Subject: RE: (rough notes) NATA & DISER Trade Facilitation - international engagement catch-up [SEC=OFFICIAL]

Danke s22 . Note-taker extraordinaire (great for our records/when memory fails us).

We should consider getting these onto DocHub, where appropriate. One for the backburner/admin power hour.

s22 .

OFFICIAL

From: s22
Sent: Monday, 31 August 2020 12:05 PM
To: s22 @industry.gov.au>; s22 @industry.gov.au>
Subject: (rough notes) NATA & DISER Trade Facilitation – international engagement catch-up [SEC=OFFICIAL]

NATA & DISER Trade Facilitation – international engagement catch-up [SEC=OFFICIAL]

Monday, 31 August 2020
10:57 A

Action items:

- Lock in a meeting towards the end of the year – use MS Teams

s22

Meeting Date: 31/08/2020 10:30 AM

Location: Teleconference - details in email body

Link to Outlook Item: [click here](#)

Invitation Message

Participants

[Trade Facilitation](#) (Meeting Organizer)

s47F [@nata.com.au](#)

s47F [@nata.com.au](#)

s47F [@nata.com.au](#)

s22

Notes

Agenda

We would welcome your thoughts on a possible high-level agenda. Some items we would like to touch on (please feel free to supplement):

s22

- WTO TBT Committee – preparations for October 2020 and beyond; including any updates from NATA related to coal testing accreditation issues (ALS Newcastle)

s22

s22

s22

s22

s33a

s33(a)

s22

s22

s22

From: s47F @nata.com.au>
Sent: Friday, 17 July 2020 1:30 PM
To: s22
Cc: s22 Lawrence, David; s47F
Subject: RE: Coal quality testing in Australia [DLM=For-Official-Use-Only]

Hi s22

Yes, that reflects our discussion. The only point I would note is that NATA does review reports as part of its assessment of a facility, but you are right in noting that NATA does not conduct a detailed forensic audit of all reports produced by an accredited facility.

If you have any further questions I can be reached by return email or phone s47F

Regards

s47F

From: s22 @industry.gov.au]
Sent: Friday, 17 July 2020 1:06 PM
To: s47F
Cc: s22 Lawrence, David; s47F
Subject: RE: Coal quality testing in Australia [DLM=For-Official-Use-Only]

Hi s47F Thanks for your time on the phone. Below is a summary of our discussion that we will use to update the Minister.

- The laboratories identified in the media reports are accredited by Australia's national accreditation body, the National Association of Testing Authorities (NATA).
 - NATA has worked with ALS to investigate this issue. NATA is confident that policies and procedures ALS has established subsequent to receiving the results of the investigation will prevent any recurrence of manual amendment of coal certificates.
 - NATA has also engaged with other accredited agencies to ensure that these agencies have safeguards in place to prevent the fraudulent amendment of coal certificates.
- NATA has been working with ALS and its risk management team to better understand the specific issues arising from the independent investigation into ALS coal certification.
 - NATA is confident that the policies and procedures put in place by ALS subsequent to the independent investigation will prevent any recurrence of manual amendment of laboratory results.
 - NATA has engaged with other accredited coal certification agencies to ensure that these agencies have safeguards in place to prevent fraudulent amendment of coal certificates.
 - NATA accreditation of a laboratory is obtained by showing competence and capability in the relevant testing activity. Accreditation is not designed, nor well suited to forensic level audits of the honesty of staff. NATA does not audit laboratory reports.

Appreciate any comments or corrections you could provide as soon as possible.

Thanks

s22

For Official Use Only

From: s22
Sent: Friday, 17 July 2020 10:56 AM
To: s47F
Cc: s22 Lawrence, David ; s47F
Subject: RE: Coal quality testing in Australia [DLM=For-Official-Use-Only]

Hi s47F

Thanks again for the previous information you have provided the Department on the various policies and procedures of NATA on coal quality testing and certification. Would you or someone from your team be available today to have a quick chat? We are after an update for the Minister's Office requested today. Appreciate your assistance.

Thanks
s22

For Official Use Only

From: s47F @nata.com.au]
Sent: Friday, 8 May 2020 4:19 PM
To: s22 @industry.gov.au>
Cc: s22 @industry.gov.au>; s22 @industry.gov.au>;
s22 @industry.gov.au>; s47F @nata.com.au>; s47F @nata.com.au>
Subject: RE: Coal quality testing in Australia [DLM=For-Official-Use-Only]

Dear s22

We are just doing a little more checking on other labs and will get back as soon as possible.

Kind regards

s47F

From: s22 @industry.gov.au]
Sent: Friday, 8 May 2020 3:40 PM
To: s47F
Cc: s22 Lawrence, David; s47F
Subject: RE: Coal quality testing in Australia [DLM=For-Official-Use-Only]

Hi s47F

I appreciate that the COVID-19 pandemic has made this a very busy time for NATA. Thank you and s47F for the very detailed response to our query.

I would appreciate clarification on the last point if possible. You mention that at this stage, NATA is not intending to review other facilities accredited for coal testing. Has NATA reviewed or does it intend to review the facilities identified in the ALS ASX announcement of 2 April 2020, i.e., the ACIRL Emerald, Gladstone, Mackay and Newcastle facilities.

Thanks
s22

For Official Use Only

From: s47F [mailto:s47F@nata.com.au]
Sent: Wednesday, 6 May 2020 7:46 AM
To: s22
Cc: s22; Lawrence, David ;s47F
Subject: RE: Coal quality testing in Australia [DLM=For-Official-Use-Only]
Importance: High

Dear s22 and colleagues

Please accept my apologies for the delay in responding to your questions but it has been quite a research project for our (already stressed)s47F

1. What standards does the accreditation of coal quality testing labs fall under.
ISO 17025 in general. Standards for which facilities are accredited are in the attached spreadsheet – ‘All Standards’ tab (101 in total – 183 methods); note that some laboratories also hold accreditation for superseded versions of some standards.
2. What are the specific characteristics for met & thermal coal which fall under the scope of accreditation by NATA for coal analysis? What are the standards associated with these characteristics.
It has been exceedingly difficult to try to identify metallurgical coal tests and their determinations distinct from thermal coal tests and their determinations in NATA’s database. There are 101 standards referenced, covering 183 different methods, each with specific determinations. In the spreadsheet attached, there are tabs for the two Word docs, plus tabs that have lists facilities that test Met and Thermal coals. Another tab lists all determinations, with the relevant standard methods; I have not included in-house methods. Against each determination (row) there is an indication of what the test is probably for (Therm/Met). Without consulting every method, it has not been possible to provide a definitive list here. We have 36 sites accredited to test coal and coke; 23 have tests usually associated with coke testing (met), and 26 have tests usually associated with thermal coal testing.
3. What facilities are currently accredited for coal analysis and which mines do they service?
Noting that NATA does not collect the information about the mines served, the list of all facilities currently accredited for coal analysis is in the attachment ‘All facilities accredited for coal testing’. It is noted note that most Mackay based coal testing labs are doing met coal to some extent. ACIRL Brisbane and ACTest Newcastle both do routine met coal testing; most other laboratories do mostly thermal.
4. How long does accreditation last?
NATA Accreditation is ongoing as long as laboratories continue to demonstrate that they meet the NATA accreditation. Failure to meet the accreditation requirements may result in either:
 - suspension of the accreditation (in part or in full) until such time as the laboratory does comply (and demonstrates this via assessment); or
 - cancellation of the accreditation (in part or in full) should the laboratory be unable or unwilling to meet the accreditation requirements.
5. What policies and procedures does NATA have in place to ensure that accredited coal quality testing facilities currently meet the conditions for continued accreditation?

The NATA Rules detail what a laboratory must do to achieve and maintain accreditation. The core accreditation criteria sitting under the NATA Rules that are applied for coal laboratories are described in ISO/IEC 17025. This is the standard used globally by all accreditation bodies that are signatories to the International Laboratory Accreditation Cooperation (ILAC) Mutual Recognition Arrangement.

The process used is one of on-site peer assessment which focusses on the collective competence of the laboratory management and staff together with all relevant aspects of laboratory process. Accreditation is for specific testing competencies and so goes down to the level of specific methods and analytical techniques.

Following an initial assessment and finalisation of any deficiencies, accreditation is granted conditional upon on-going compliance. There are then 3 yearly full reassessments interspersed with surveillance visits at 18 month.

One point that must be stressed is that accreditation is designed to provide confidence in the competence of the laboratory. This is predicated upon both parties seeking the same objective - good science/technology being conducted by people wanting to get the right answer. Accreditation is not designed not well suited to forensic level audits of the honesty of staff. Poor laboratory practice is readily detected but deliberate and well executed fraud is exceedingly difficult to detect.

6. Are there any plans by NATA to undertake a review of currently accredited coal analysis laboratories outside of routine reassessments?

At this stage, NATA is not intending to review other facilities accredited for coal testing beyond the normal surveillance schedule unless reliable information is provided that would cause us to reasonably doubt their compliance with accreditation requirements. Obviously though, this issue with ALS has us alerted to the fact that fraudulent activity is at play in the industry and this awareness will be in the minds of our assessment teams when undertaking surveillance activities.

We trust this will provide you with enough information but if there is anything missing or which requires further explanation, please let us know.

Kind regards

s47F

From: s22 [@industry.gov.au](mailto:s22@industry.gov.au)
Sent: Wednesday, 29 April 2020 3:23 PM
To: s47F
Cc: s22 Lawrence, David
Subject: Coal quality testing in Australia [DLM=For-Official-Use-Only]

Hi s47F

As part of a review of coal quality testing in Australia, the Resources Division of the Department of Industry, Science, Energy and Resources would like to follow up on the discussion we had last week regarding the role that NATA plays as Australia's national accreditation body in the certification of coal quality. We have the following questions:

1. What standards does the accreditation of coal quality testing labs fall under.
2. What are the specific characteristics for met & thermal coal which fall under the scope of accreditation by NATA for coal analysis? What are the standards associated with these characteristics.
3. What facilities are currently accredited for coal analysis and which mines do they service?
4. How long does accreditation last?

5. What policies and procedures does NATA have in place to ensure that accredited coal quality testing facilities currently meet the conditions for continued accreditation?
6. Are there any plans by NATA to undertake a review of currently accredited coal analysis laboratories outside of routine reassessments?

We appreciate any input that you can provide.

Thanks

s22

For Official Use Only

From: s22

Sent: Wednesday, 22 April 2020 6:00 PM

To: s47F @nata.com.au' s47F @nata.com.au>

Cc: s22 @industry.gov.au>; s22 @industry.gov.au>; s22 s22 @industry.gov.au>

Subject: ALS coal quality testing [DLM=For-Official-Use-Only]

Hi s47F

Thanks for your time this evening

Please find below my summary of the role of NATA in coal quality certification. Greatest uncertainties have been highlighted so feedback on these statements would be greatly appreciated.

If possible, I would appreciate a list of NATA-accredited laboratories/facilities/corporations that are able to provide coal quality certification.

s47C

NATA notes

- The National Association of Testing Authorities, Australia (NATA) is Australia's national accreditation body for the accreditation of laboratories, inspection bodies, calibration services, producers of certified reference materials and proficiency testing scheme providers throughout Australia. It is also Australia's compliance monitoring authority for the OECD Principles of Good Laboratory Practice.
- NATA has a Memorandum of Understanding with the Australian Government and various state and territory governments that recognise NATA's key role in Australia's technical infrastructure. The Australian Government recommends the use of NATA-accredited facilities whenever this is an option and encourages state and territory governments and other instrumentalities to do likewise.
- Mandatory conditions for accreditation of NATA include:
 - o the availability of people and other resources required for satisfactory performance of the functions for which accreditation is sought;
 - o satisfactory management of people and other resources;

- o satisfactory performance in proficiency testing programs and/or measurement audits or other practical or theoretical tests set by or recognised by the Association and specific to the work to be covered by that accreditation;
- o past and present conduct including technical and professional skills of the applicant for accreditation which, in the opinion of the Board, are consistent with maintaining the standing, the professional integrity or worldwide reputation of the Association.
- Under its constitution, accreditation may be cancelled or suspended if an accredited facility fails to comply with accreditation conditions.
 - o The accreditation cancellation process includes a Correction Notice and a Notice to Show Cause which is subject to appeal.
- NATA have commenced an investigation about how the results of the independent investigation into ALS coal certification will affect accreditation of the laboratories involved and any TBT related concerns. They will keep the Department informed of their investigation.
- ALS's Australian-based laboratories are accredited by NATA to certify coal quality/the energy content of coal.
- NATA is not a regulatory body. Detection of fraudulent behaviour is not within the scope of NATA's remit.

Thanks

s22

s22

Assistant Manager

Major Commodities

Onshore Minerals and Energy Branch | Resources Division

s22

[@industry.gov.au](mailto:industry.gov.au)

Department of Industry, Science, Energy and Resources | www.industry.gov.au

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