



ILAC Rules: Bylaws

ILAC-R2B:11/2019

About ILAC

ILAC is the global association for the accreditation of laboratories, inspection bodies, proficiency testing providers and reference material producers, with a membership consisting of accreditation bodies and stakeholder organisations throughout the world.

It is a representative organisation that is involved with:

- the development of accreditation practices and procedures,
- the promotion of accreditation as a trade facilitation tool,
- supporting the provision of local and national services,
- the assistance of developing accreditation systems,
- the recognition of competent testing (including medical) and calibration laboratories, inspection bodies, proficiency testing providers and reference material producers around the world.

ILAC actively cooperates with other relevant international organisations in pursuing these aims.

ILAC facilitates trade and supports regulators by operating a worldwide mutual recognition arrangement – the ILAC Arrangement - among Accreditation Bodies (ABs). The data and test results issued by laboratories, and inspection bodies, collectively known as Conformity Assessment Bodies (CABs), accredited by ILAC Accreditation Body members are accepted globally via this Arrangement. Thereby, technical barriers to trade, such as the re-testing of products each time they enter a new economy is reduced, in support of realising the free-trade goal of “accredited once, accepted everywhere”.

In addition, accreditation reduces risk for business and its customers by assuring that accredited CABs are competent to carry out the work they undertake within their scope of accreditation.

Further, the results from accredited facilities are used extensively by regulators for the public benefit in the provision of services that promote an unpolluted environment, safe food, clean water, energy, health and social care services.

Accreditation Bodies that are members of ILAC and the CABs they accredit are required to comply with appropriate international standards and the applicable ILAC application documents for the consistent implementation of those standards.

Accreditation Bodies having signed the ILAC Arrangement are subject to peer evaluation via formally established and recognised regional cooperation bodies using ILAC rules and procedures prior to becoming a signatory to the ILAC Arrangement.

The ILAC website provides a range of information on topics covering accreditation, conformity assessment, trade facilitation, as well as the contact details of members. Further information to illustrate the value of accredited conformity assessment to regulators and the public sector through case studies and independent research can also be found at www.publicsectorassurance.org.

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<https://www.youtube.com/user/IAFandILAC>

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1. INTRODUCTION

As a result of the revision of the 2009 version of the ILAC rules to ensure compliance with the Dutch Civil Code, the ILAC Bylaws were also revised. The revised Bylaws adopted at the ILAC General Assembly in October 2019 are contained in this publication. These Bylaws must be read and implemented in conjunction with the articles of association contained in ILAC R2A:11/2019 *ILAC Rules: Articles of Association*.

2. PREAMBLE

2.1. These Bylaws are drafted according to article 18 of the articles of association and give guidance and explanation to the application of the articles of association. The Bylaws and other documents issued by ILAC are to be interpreted in such a manner as to give precedence to the articles of association.

3. SCOPE

3.1. These Bylaws apply to all aspects of the operation of ILAC including the ILAC General Assembly, Executive Committee and ILAC's constituent bodies (committees, working groups and task force groups).

3.2. The ILAC General Assembly, Executive Committee and constituent bodies shall operate according to adopted terms of reference and may establish their own supplementary rules of procedure in harmony with these Bylaws.

4. DEFINITIONS

4.1. The definitions listed in article 1 of the articles of association apply to these Bylaws.

5. OBJECTIVES

5.1. Implementation of objectives

5.1.1. Implementation of the agreed objectives shall be undertaken by developing a strategic plan for ILAC. The strategic plan may be supported by an activity plan specifying the top-level actions to implement the strategic plan.

5.1.2. The strategic plan and activity plan shall be developed further into work programs for committees which shall be approved by the General Assembly. The activities covered by the work programs and to be financed by ILAC shall be included in the financial budget for ILAC.

5.2. Specific activities

- 5.2.1. To achieve the objectives and to implement the Strategic Plan ILAC undertakes the following activities:
- a. Cooperate and liaise closely with all stakeholders, regulators, specifiers and other interested parties to promote the global acceptance and trust in the ILAC Arrangement and to ensure that the ILAC Arrangement and the international accreditation infrastructure meet the needs of the marketplace;
 - b. Identify to ISO, IEC and other international standards writing bodies and specifiers any perceived need for standards and guides relating to accreditation of conformity assessment bodies and participate in the development of such standards, guides and specifications;
 - c. Develop and publish harmonised application, guidance and information documents on accreditation of conformity assessment bodies;
 - d. Develop and enhance procedures for the evaluation and surveillance of organisations operating under the ILAC Arrangement;
 - e. Organise expert meetings and training sessions to harmonise the application of international standards for conformity assessment activities and to facilitate cooperation and exchange of information and experience between ILAC members; and
 - f. Any other activity in support of the objectives as decided by the Executive Committee or the General Assembly.

6. MEMBERSHIP

6.1. Members

- 6.1.1. The term member of ILAC is defined in article 1 sub u of the articles of association and is used to describe members holding voting rights as well as those not holding voting rights.
- 6.1.2. Members holding voting rights are defined as Eligible Voting Members in article 1 sub m of the articles of association. This definition is derived from the legal interpretation of articles 2:34 and 2:38-1 of the Dutch Civil Code.

6.2. Full Members

- 6.2.1. Full Members are accreditation bodies meeting the membership criteria defined in article 1 sub p of the articles of association.
- 6.2.2. An accreditation body will be eligible for Full Membership of ILAC when it has been accepted as a signatory to a multilateral mutual recognition arrangement established by one of the Recognised Regional Cooperation Bodies, for at least one scope covered by the ILAC Arrangement.

- 6.2.3. An accreditation body that:
- a. Is not eligible to be a member of a Regional Cooperation Body, or
 - b. Is a member of a Regional Cooperation Body which has either not yet established a multilateral mutual recognition arrangement or their multilateral mutual recognition arrangement has not yet been recognised by ILAC, may apply for Full Membership and ILAC will perform a peer evaluation of the applicant according to the criteria defined in IAF/ILAC A2 and ILAC P4.
- 6.2.4. Full Members can be suspended either for failure to meet signatory requirements of the ILAC Arrangement (*Signatory Suspension*) or failure to meet general membership requirements (*Membership Suspension*).

A signatory (Full Member) may be suspended from the ILAC Arrangement if it fails to meet the requirements for signatory status. This is identified as *Signatory Suspension*. The decision to suspend a member from the ILAC Arrangement is taken by the Arrangement Council. The process for suspension from the ILAC Arrangement is detailed in IAF/ILAC A2.

For details of *Membership Suspension* refer to paragraph 7.1.2 of the Bylaws.

6.3. Associate Members

- 6.3.1. An applicant for Associate membership shall provide documentation demonstrating that the criteria for membership defined in article 5 paragraph 2 sub b of the articles of association are met.
- 6.3.2. The documentation provided by the applicant shall at least include:
- a. A cross-reference between the clauses in the current version of ISO/IEC 17011, ILAC requirements documents and the applicant's documented policies and procedures; and
 - b. The types of conformity assessment bodies accredited by the applicant (e.g. calibration laboratories, testing laboratories, inspection bodies, etc) including, for each type of conformity assessment body (CAB), the total number of accredited CABs and the number that have undergone a full accreditation cycle and details of the sectors from which the applicant's accredited CABs are drawn; and
 - c. Evidence of the accreditation body's legal status and information on the type of recognition it holds within its economy such as government, regulatory, industry, etc; and
 - d. A declaration of the applicant's intent to become a signatory to the ILAC Arrangement supported by a plan and proposed timeframe for achieving signatory status.

- 6.3.3. Applicants may be requested to provide additional documentation of relevance to process the application.
- 6.3.4. Applications for Associate membership will be evaluated by the Executive Committee and a decision made whether the accreditation body meets the criteria for membership of ILAC.
- 6.3.5. The Executive Committee will inform the applicant and the ILAC Members of its decision.
- 6.3.6. An applicant, having its application rejected by the Executive Committee, has the right to appeal the decision to the Appeals Board established according to article 17 of the articles of association within thirty (30) days of receipt of the decision.

6.4. Regional Cooperation Body Members

- 6.4.1. Cooperations established in a region in accordance with article 5 paragraph 2 sub c of the articles of association may apply for membership of ILAC as a Regional Cooperation Body.
- 6.4.2. An applicant shall provide documentation that it meets the relevant criteria for membership of ILAC and that it pursues objectives in harmony with those of ILAC. This includes:
 - a. Documentation for legal status and incorporation;
 - b. List of economies/countries covered by the Regional Cooperation Body;
 - c. Defined objectives of the Regional Cooperation Body including documentation demonstrating the commitment to support the objectives of ILAC;
 - d. Relationships with its regional economic and/or political entities;
 - e. Categories of membership of the Regional Cooperation Body, criteria for membership of each category and a list of members in each category;
- 6.4.3. Applicants may be requested to provide additional documentation of relevance to process the application.
- 6.4.4. Applications for Regional Cooperation Body membership will be evaluated by the Executive Committee and a decision made whether the Regional Cooperation Body meets the criteria for membership of ILAC.
- 6.4.5. The Executive Committee will inform the applicant and the ILAC Members of its decision.
- 6.4.6. An applicant, having its application rejected by the Executive Committee, has the right to appeal the decision to the Appeals Board established according to article 17 of the articles of association within thirty (30) days of receipt of the decision.

6.5. Stakeholder Members

- 6.5.1. Organisations operating at international, regional or national level representing conformity assessment bodies, specifiers, authorities, regulators, end-users and other interested parties may apply for Stakeholder membership of ILAC.
- 6.5.2. An applicant shall provide documentation that it meets the relevant criteria for membership of ILAC stated in article 5 paragraph 2 sub d of the articles of association. This includes:
 - a. Documentation of legal status as appropriate;
 - b. articles of association, membership criteria and defined objectives for the applicant as appropriate;
 - c. Specification of the function and role the applicant has in relation to accreditation and conformity assessment activities;
 - d. Description of the involvement and interest the applicant has in conformity assessment results produced by conformity assessment bodies accredited by signatories to the ILAC Arrangement; and
 - e. Documentation demonstrating the commitment to support the objectives of ILAC.
- 6.5.3. Applicants may be requested to provide additional documentation of relevance to process the application.
- 6.5.4. Applications for Stakeholder membership will be evaluated by the Executive Committee and a decision made whether the Stakeholder meets the criteria for membership of ILAC.
- 6.5.5. The Executive Committee will inform the applicant and the ILAC members of its decision.
- 6.5.6. An applicant, having its application rejected by the Executive Committee, has the right to appeal the decision to the Appeals Board established according to article 17 of the articles of association within thirty (30) days of receipt of the decision.

7. TERMINATION AND SUSPENSION OF MEMBERS

7.1. Suspension of members

- 7.1.1. A member may have its membership of ILAC suspended by the Executive Committee according to article 6 paragraph 5 of the articles of association.
- 7.1.2. If a Full Member has its membership suspended by the Executive Committee for failing to meet ILAC membership requirements, the member will be given a deadline for meeting the relevant requirements for membership. This is identified as a *Membership Suspension* and does not carry any consequences

for the Full Member's accredited CABs. If the Full Member does not meet all obligations by the fixed deadline, the member will have its membership terminated by the Executive Committee.

- 7.1.3. If a member from any other category has its membership suspended by the Executive Committee the member will be given a deadline for meeting the relevant requirements for membership. If the member does not meet all obligations by the fixed deadline, the member will have its membership terminated by the Executive Committee.
- 7.1.4. A member having its membership suspended may appeal the decision to the Appeals Board according to article 6 paragraph 6 of the articles of association.
- 7.1.5. The Executive Committee shall inform all members at the end of the appeals period, stated in article 6 paragraph 6 of the articles of association, of its decision to suspend the membership of a member.

7.2. Termination or Expulsion of membership

- 7.2.1. Members may terminate membership of ILAC in accordance with the rules stated in article 6 paragraph 2 of the articles of association.
- 7.2.2. The Executive Committee may terminate membership as stated in article 6 paragraph 3 of the articles of association if a member no longer meets the criteria for membership or other obligations agreed for the category of membership to which the member belongs. This includes if a member has acted in violation of the articles of association, the Bylaws or any other mandatory requirement agreed by the General Assembly or when a Member has harmed ILAC unreasonably or has acted in conflict with the objectives of ILAC.
- 7.2.3. A member having its membership terminated or being expelled may appeal the decision to the Appeals Board according to article 6 paragraph 6 of the articles of association.
- 7.2.4. The Executive Committee shall inform all members at the end of the appeals period, stated in article 6 paragraph 6 of the articles of association, of its decision to terminate the membership of a member.

8. THE GENERAL ASSEMBLY

- 8.1. The General Assembly, in accordance with the Dutch Civil Code, holds the overall responsibility for the management of the legal entity and shall therefore decide on:
 - 8.1.1. Election and dismissal of the Executive Committee (cf. article 12 of the articles of association);

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- 8.1.2. Adoption of accounts (balance sheet and profit and loss account) (cf. article 19 of the articles of association);
 - 8.1.3. Amendment of articles (cf. article 21 of the articles of association); and
 - 8.1.4. Dissolution and liquidation of ILAC (cf. article 22 of the articles of association).
- 8.2.** The overall structure of ILAC including setting up or termination of committees is under the responsibility of the General Assembly. In addition to the committees listed in paragraphs 9.2 and 17.1 of these Bylaws the current committee structure is:
- a. The Arrangement Committee;
 - b. The Accreditation Committee;
 - c. The Inspection Committee;
 - d. The Joint Development Support Committee; and
 - e. The Marketing and Communication Committee.
- 8.3.** The General Assembly shall further take decisions on the annual financial budget (cf. article 19 of the articles of association) and thereby the annual membership contribution (fee).
- 8.4.** The General Assembly also holds the responsibility (cf. article 7 of the articles of association) for policies and the strategic development of ILAC and:
- 8.4.1. Policies relating to all categories of ILAC members;
 - 8.4.2. Criteria for the operation of the ILAC Arrangement (as established in IAF/ILAC A- series and ILAC P-series documents); and
 - 8.4.3. Requirements for accreditation bodies that are signatories to the ILAC Arrangement including criteria to be met by accredited conformity assessment bodies (as established in the ILAC P-series and R-series documents).
- 8.5.** The General Assembly is also responsible for appointing members of:
- 8.5.1. The Appeals Board (cf. article 17 of the articles of association); and
 - 8.5.2. The Financial Audit Committee (cf. article 20 of the articles of association).
- 9. DECISION-MAKING ON SIGNATORY STATUS OF THE ILAC ARRANGEMENT**
- 9.1. Arrangement Council**
- 9.1.1. The Arrangement Council is the decision-making body for determining signatory and recognition status under the ILAC Arrangement.

- 9.1.2. The ILAC Secretariat prepares the agenda papers and takes the minutes for meetings of the Arrangement Council.
- 9.1.3. Observers may be admitted to the meeting at the invitation of the Chair of the Arrangement Council.
- 9.1.4. The Arrangement Council shall be managed according to policies and procedures approved by the General Assembly.

9.2. Arrangement Management Committee

- 9.2.1. The Arrangement Management Committee manages the implementation of the ILAC Arrangement on behalf of the Arrangement Council.
- 9.2.2. Terms of reference for the Arrangement Management Committee shall be approved by the General Assembly.
- 9.2.3. Members of the Arrangement Management Committee shall be:
 - a. Chair of the Arrangement Management Committee; the Chair is elected by Eligible Voting Members at a meeting of the General Assembly;
 - b. Secretary of the Arrangement Management Committee; appointed by the ILAC Secretary;
 - c. Each Regional Cooperation Body Member shall appoint two (2) members;
 - d. Stakeholder Forum shall appoint one (1) member;
 - e. The Executive Committee shall appoint one (1) member representing users of the ILAC Arrangement who express an interest in serving on the committee;
 - f. One (1) observer appointed by IAF to represent the IAF MLA Management Committee;
 - g. Other observers may be invited at the Chair's discretion.

10. MEETINGS OF THE GENERAL ASSEMBLY

10.1. Agenda for the General Assembly

- 10.1.1. A draft agenda for the meeting of the General Assembly will be circulated by the Secretariat to all authorised representatives at least thirty (30) days before the meeting at which the topic is to be discussed.
- 10.1.2. The agenda for a meeting of the General Assembly shall specify, if amendments to the articles of association or dissolution and liquidation of the association shall be decided.
- 10.1.3. The Secretariat will, where possible, send the agenda and meeting documents to the authorised representatives and invited observers at least twenty-one (21)

days before the date of the meeting.

10.2. Minutes of the General Assembly

- 10.2.1. The Secretariat will circulate draft minutes of meetings of the General Assembly to authorised representatives and invited observers within sixty (60) days following the meeting.
- 10.2.2. Comments on the draft minutes shall be sent to the Secretariat within thirty (30) days after circulation of the draft minutes.
- 10.2.3. The minutes will be confirmed at the next meeting of the General Assembly.
- 10.2.4. Observers who were invited to attend only part of the meeting will be entitled to receive at least an excerpt from the minutes covering that part of the meeting.

10.3. Voting at the General Assembly

- 10.3.1. Resolutions by the General Assembly shall be taken in accordance with the provisions in Article 10 paragraphs 6 and 7 of the articles of association.
- 10.3.2. The multiplier factor stated in article 10 paragraph 10 of the articles of association increases the weight of votes cast by Eligible Voting Members from economies with less than ten (10) Eligible Voting Members, in case the number of Eligible Voting Members in one (1) or more economies is ten (10) or more.
- 10.3.3. If the number of economies with ten (10) or more Eligible Voting Members is two (2) or more, a multiplier factor shall be calculated for each economy. The combined multiplier factor will be 1.21 if two (2) economies have between ten (10) and nineteen (19) Eligible Voting Members (i.e. $1.1 \times 1.1 = 1.21$) and the combined multiplier factor will be 1.43 if one (1) economy has between ten (10) and nineteen (19) Eligible Voting Members and another economy has between thirty (30) and thirty nine (39) Eligible Voting Members (i.e. $1.1 \times 1.3 = 1.43$).
Examples demonstrating the use of the multiplier factor and the combined multiplier factor are shown in Annex 1.
- 10.3.4. The Secretariat shall calculate the multiplier factor and the combined multiplier factor whenever the number of Eligible Voting Members changes.
- 10.3.5. Before voting at the General Assembly meetings, the Chair will invite members not holding voting rights (i.e. representatives of Regional Cooperation Bodies and Stakeholders) to present their views allowing the Eligible Voting Members to take into account such positions before the voting (decision-making) is conducted.

- 10.3.6. On matters related to election of persons and other such matters as determined by the Chair, ballots will be by confidential voting for which the Secretariat and/or scrutineers aware of the individual ballots will maintain the confidentiality of that information.

10.4. Adoption of resolutions by the General Assembly

- 10.4.1. Resolutions shall be adopted by the General Assembly according to the rules in article 10 paragraphs 6 and 7 of the articles of association.
- 10.4.2. During a ballot, Eligible Voting Members will have the option to vote yes/in favour, no/against or abstain.
- 10.4.3. When determining the result of a ballot only votes cast as, yes/in favour or no/against, will be taken into consideration and votes cast as abstain will not be taken into account.

10.5. Election of persons by the General Assembly

- 10.5.1. The General Assembly will elect persons for position in ILAC by absolute majority as defined in article 1 sub a, of the articles of association.
- 10.5.2. When the General Assembly is voting on candidates for one position Eligible Voting Members will have the option to cast one vote on one of the candidates or cast a blank vote. If the election is for two (2) or more seats Eligible Voting Members may cast a vote on as many candidates as there are available seats for election i.e. if two (2) persons shall be elected then Eligible Voting Members may cast a vote on two (2) candidates etc.
- 10.5.3. During a ballot among two (2) or more candidates for one position in ILAC a candidate will be elected if the candidate has received more than half of the votes cast. Blank votes are not considered when the result of the ballot is calculated.
- 10.5.4. If the ballot is for two (2) or more seats then candidate(s) will be elected only if they have received more than half of the votes cast. Blank votes are not considered when the result of the ballot is calculated.
- 10.5.5. If no candidate has received more than half of the votes cast during a ballot then a new election shall take place among the candidates. Any candidate may decide to withdraw his/her candidacy before a new ballot is conducted.
- 10.5.6. If no candidate has received more than half of the votes cast during the second ballot then a new election shall take place and the candidate having received the fewest number of votes in the previous ballot shall be removed from the list of candidates. Blank votes are not considered when the result of the ballot is calculated. Any other candidate may decide to withdraw his/her candidacy

before a new ballot is conducted.

- 10.5.7. Revoting according to paragraph 10.5.6 of the Bylaws shall be conducted until candidates have been elected for all seats.
- 10.5.8. If in a revoting ballot the votes are tied between two (2) candidates for one position it shall be decided by the drawing of lots which of the two (2) candidates will be elected for the seat.
- 10.5.9. Persons elected during the General Assembly meeting as members of the Executive Committee, the Financial Audit Committee or the Appeals Board will normally take up their seats at the beginning of the new financial year. If circumstances exist which prevent this, for one or more of the elected persons, the General Assembly can determine an alternative commencement date. This date would then be stated in the General Assembly Resolution confirming the election of members and would specify which elected person the alternative commencement date applies to.

11. GENERAL ASSEMBLY DECISION-MAKING OUTSIDE OF A MEETING

11.1. Decisions taken outside of a meeting

- 11.1.1. The General Assembly is according to the Dutch legislation empowered to take decisions outside of a convened meeting.
- 11.1.2. Decisions taken outside of a meeting are, however, only valid if all Eligible Voting Members are supportive of the decision (decision adopted unanimously by all Eligible Voting Members).
- 11.1.3. Decision-making will be conducted by electronic communication.

11.2. Referendum for the Eligible Voting Members

- 11.2.1. The Executive Committee may call for a referendum among Eligible Voting Members on issues stated in article 7 paragraph 2 of the articles of association, i.e. which are within the responsibility of the General Assembly, if such a decision-making process is needed to ensure a proper and efficient management of ILAC.
- 11.2.2. The ILAC Executive Committee approves issues stated in article 7 paragraph 2 of the articles of association if a referendum has been conducted in accordance with the procedure and provisions in article 11 paragraph 2 of the articles of association.

12. ILAC EXECUTIVE COMMITTEE

12.1. Members of the Executive Committee

- 12.1.1. Members of the Executive Committee shall be elected by the General Assembly in accordance with the provision in article 12 of the articles of association except the member representing the Stakeholder Forum, who is appointed by the Stakeholder Forum.
- 12.1.2. The General Assembly may apply the option in article 12 paragraph 1 sub f of the articles of association to elect additional member(s) of the Executive Committee if specific expertise or resources are required to implement the adopted strategy.
- 12.1.3. Candidates nominated for the position of Chair, Vice-Chair and the Chairs of the committees listed in paragraphs 8.2 and 9.2 of these Bylaws shall have at least five (5) years of professional experience in an accreditation body and preferably hold or have experience in a managerial position in the organisation of a Full Member.
- 12.1.4. Other members of the Executive Committee shall have at least five (5) years of professional experience of working in an accreditation body or a Regional Cooperation Body or the specific qualifications and competences agreed by the General Assembly for election of candidate(s) to serve on the Executive Committee according to article 12 paragraph 1 sub f of the articles of association.
- 12.1.5. Documentation of the professional experience and other qualifications and competences, as required in paragraphs 12.1.3 and 12.1.4, shall be made available to the Eligible Voting Members before the election of members of the Executive Committee is conducted by the General Assembly.
- 12.1.6. The Chair and the Vice-Chair of ILAC cannot also hold the position as an Authorised Representative for a member.
- 12.1.7. The term of office of members of the Executive Committee is three (3) years cf. article 12 paragraph 7 of the articles of association.
- 12.1.8. A person who has previously held a position on the Executive Committee is eligible for re-election to the same position if the person has not held that position for one or more terms.
- 12.1.9. Members having served in two (2) consecutive terms in the same position on the Executive Committee may be elected for a different position on the Executive Committee. However, a person may be elected for the same position on the Executive Committee for an additional term if no candidate fulfilling the experience and competence requirements mentioned in paragraphs 12.1.3 and

12.1.4 is available.

- 12.1.10. In the event of vacancy occurring for a position elected by the General Assembly, the Executive Committee will be responsible for appointing a representative to act in the position that has become vacant, until a formal election for that position can be held during the next scheduled General Assembly.
- 12.1.11. The term of office for a member of the Executive Committee elected for a vacant position, cf. paragraph 12.1.9, shall terminate at the same time as the other members of the Executive Committee. If the term of office for an elected person is less than fifteen (15) months, the elected person may further be elected for two (2) consecutive three (3) year terms.

12.2. Responsibilities of the Executive Committee

- 12.2.1. The responsibilities of the ILAC Executive Committee as stated in articles 5, 6, 10, 11, 13, 15, 18, 19 and 23 of the articles of association are to manage the association and take decisions on all issues not empowered to other bodies of the association according to the articles of association.
- 12.2.2. Management of the association (including financial management) shall be conducted on the basis of decisions, policies and plans adopted by the General Assembly. To these ends the Executive Committee will:
- a. Ensure the coherent and transparent operation of ILAC's activities in accordance with the objectives and other provisions of the ILAC articles of association;
 - b. Develop proposals concerning the strategy, policies and activities of ILAC;
 - c. Prepare the annual work program and associated budget for the operation of ILAC;
 - d. Ensure proposals, reports etc. are presented to the General Assembly in a coordinated, transparent and comprehensive manner. Such reports from the Appeals Board, the Arrangement Council and the Financial Audit Committee shall be submitted directly by those bodies;
 - e. Ensure that an appropriate financial audit is conducted annually in a manner to satisfy the requirement of the articles of association;
 - f. Report to the General Assembly at least annually. The annual report shall include a financial report.
 - g. Monitor and ensure a proper coordination of the work activities and reporting of the ILAC Committees;
 - h. Seek international cooperation with relevant international bodies, regional organisations, regulators and other relevant bodies;
 - i. Ensure close cooperation with all stakeholders and relevant organisations and bodies in the field of conformity assessment to enhance the confidence and trust in the ILAC Arrangement and strategic development of conformity assessment activities;

- j. Approve issues as stated in paragraph 11.2 of the Bylaws; and
- k. Establish the Secretariat and determine the tasks and activities to be performed by it and monitor its performance.

12.3. Authority by the Executive Committee to enter into agreements etc.

- 12.3.1. The authority of the Executive Committee to enter into agreements is stated in article 15 of the articles of association.
- 12.3.2. Financial agreements shall be within the budget approved by the General Assembly or as may be agreed, in advance, by the General Assembly.

12.4. Decisions and meetings of the Executive Committee

- 12.4.1. Meetings of the Executive Committee are restricted to Executive Committee members. However, other invitees may be admitted to attend a meeting at the invitation of the Chair.
- 12.4.2. Meetings of the Executive Committee shall be called as stated in article 13 paragraph 4 of the articles of association.
- 12.4.3. The draft agenda for the meeting shall be distributed to the members of the Executive Committee and observers no less than thirty (30) days before the meeting. The final agenda and meeting documents shall be available to the members and observers before the meeting and it shall be listed in the agenda which items are for a decision at the meeting.
- 12.4.4. Decisions of the Executive Committee will be reached by consensus. If consensus cannot be reached, decisions by the Executive Committee shall be taken according to article 13 of the articles of association.
- 12.4.5. Decision-making by voting shall normally be taken via a show of hands at meetings of the Executive Committee.
- 12.4.6. The Chair of the meeting of the Executive Committee may determine, however, that a vote shall be cast in writing. If it concerns an election of persons any person entitled to vote and be present at the meeting may also desire that the votes are cast in writing. A written vote shall be taken by means of unsigned ballot papers. Blank votes cast during written ballots shall be considered as abstentions and treated as votes not cast. If the number of yes/in favour votes and no/against votes are equal, the proposal shall be rejected.
- 12.4.7. The Executive Committee may also take decisions outside of a meeting according to article 13 paragraph 11 of the articles of association; this includes decisions by electronic communication.
- 12.4.8. Members of the Executive Committee are obliged to declare any conflict of interest concerning items listed on the agenda. The Chair or the Vice-Chair, in

case the Chair has declared a conflict of interest, shall determine the level of participation of members who declare a conflict of interest that shall be commensurate with the specific circumstances.

12.5. Executive Committee representation

- 12.5.1. article 14 of the articles of association contains the rules for the Executive Committee to represent ILAC.
- 12.5.2. The Executive Committee shall establish rules for representation of ILAC by members of the Executive Committee or other parties including the ILAC Secretary and Treasurer.

13. ILAC COMMITTEES ETC.

- 13.1.** The General Assembly will establish committees to implement the objectives and strategic plans approved by the General Assembly cf. paragraph 8.2 of the Bylaws.
- 13.2.** The General Assembly will approve the initial terms of reference for a committee. Revisions of terms of reference will be approved by the Executive Committee.
- 13.3.** Each member of ILAC is entitled to nominate a representative for each of the committees listed in paragraph 8.2 sub b - sub e of these Bylaws. A member's nominated representative may be accompanied by a reasonable number of other persons nominated by the member.
- 13.4.** Each committee will have a Chair elected by the General Assembly.
- 13.5.** Delegates for a committee shall be admitted to meetings of the committee. Observers may attend a meeting of a committee with the approval of the committee Chair.
- 13.6.** Committees may establish working groups, task forces etc. to deal with specific questions within the terms of reference of the committee.
- 13.7.** Committees will report to the General Assembly at least annually.
- 13.8.** Committees will keep the Secretariat informed about their activities by providing the Secretariat with meeting agenda, papers and minutes/actions from meetings, including summaries of conclusions of meetings.

14. STAKEHOLDER FORUM

- 14.1.** The Stakeholder Forum will address issues of common interest across the different categories of Stakeholder members in support of the objectives of ILAC and where

relevant, provide a coordinated position to the overall strategy and policies of ILAC.

- 14.2. The Stakeholder Forum will encourage its members to participate in the work of ILAC committees and represent their position on issues of common interest.
- 14.3. The Stakeholder Forum will establish Terms of Reference for its activities and may establish sub-structures for Stakeholder members with common interests e.g. based on their specific conformity assessment activities or their use of conformity assessment results.
- 14.4. Terms of Reference for the Stakeholder Forum shall be endorsed by the Executive Committee.
- 14.5. The Authorised Representative or proxy of each Stakeholder Member will hold one vote when voting is conducted by the forum.
- 14.6. The Stakeholder Forum shall report on its activities to the General Assembly.
- 14.7. Persons who have previously held the positions of chair or vice-chair of the Stakeholder Forum are eligible for re-election to the same position if they have not held that position for one or more terms.
- 14.8. The Stakeholder Forum will appoint their representative(s) to the Arrangement Management Committee and nominate candidate(s) to the Appeals Board and nominate a candidate to the Financial Audit Committee.

15. APPEALS BOARD

15.1. Purpose of the Appeals Board

- 15.1.1. The General Assembly shall according to the Dutch Civil Code take decisions on appeals of decisions to reject membership and to terminate membership. The General Assembly may, however, decide to transfer the tasks to handle appeals to another body within the association and the Appeals Board is established to perform that task.
- 15.1.2. The Appeals Board shall be an independent and impartial body composed of members being impartial and having the qualifications and competences to decide on such matters brought to the Appeals Board.
- 15.1.3. The Appeals Board shall examine and decide on appeals against decisions according to article 5 paragraph 5 and article 6 paragraph 6 of the articles of association on:
 - a. Rejection of an application for membership;
 - b. Decisions to suspend membership;
 - c. Decisions to terminate membership; and

d. Expulsion of a member.

Note: For Full Members; An appeal of a decision taken by the ILAC Arrangement Council to refuse, restrict, suspend or withdraw signatory status to the ILAC Arrangement shall be dealt with in accordance with the Appeals process established under article 9 in the articles of association.

15.2. Members of the Appeals Board

15.2.1. The Appeals Board shall be composed of five (5) members:

- a. Two (2) members representing Full Members;
- b. One member representing Associate Members;
- c. One member representing Regional Cooperation Body Members; and
- d. One member representing Stakeholder Members.

15.2.2. The four membership categories shall be invited to nominate candidate(s) to serve on the Appeals Board and a deputy for each of the candidates.

15.2.3. Members and deputy members of the Appeals Board shall be elected among the nominated candidates, cf. paragraph 15.2.2 at the General Assembly by the Eligible Voting Members.

15.2.4. Members and deputy members of the Appeals Board representing each category of Members will be elected using the voting method in article 10 paragraph 8 of the articles of association.

15.2.5. Members and deputy members of the Appeals Board are elected for a term of three (3) years and may serve on the Appeals Board for two consecutive three (3) year terms.

15.2.6. Deputy members of the Appeals Board shall replace a member of the Appeals Board in case a member resigns. If a member of the Appeals Board is not impartial or has a conflict of interest in a specific case brought to the Appeals Board then that member shall be replaced by the deputy member for the handling of that specific appeal.

15.2.7. A deputy member of the Appeals Board may be nominated as a candidate to serve on the Appeals Board and if elected serve as a member of the Board for two (2) consecutive terms.

15.2.8. Members of the Appeals Board will appoint its Chair.

15.3. Tasks of the Appeals Board

15.3.1. The Appeals Board shall consider and decide on appeals presented to the Board according to article 5 paragraph 5 and article 6 paragraph 6 of the articles of

association.

- 15.3.2. The Appeals Board shall evaluate whether the Executive Committee has followed the ILAC policies and procedures relating to:
- a. Applications for membership and the correct application of membership criteria for the category of membership applied for by the applicant;
 - b. Suspension, termination or expulsion of membership and the correct application of membership criteria for the category of membership held by the appellant.
- 15.3.3. The Chair of the Appeals Board will communicate decisions or recommendations to the appellant and the Executive Committee.
- 15.3.4. The Chair of the Appeals Board will report to the General Assembly on the activities of the Appeals Board.
- 15.3.5. Procedures for the Appeals Board are contained in a separate document.

16. ANNUAL ACCOUNTS AND BUDGET

16.1. Audit of the annual accounts

- 16.1.1. The Executive Committee will ensure that an appropriate financial audit is conducted annually in a manner to satisfy the requirements in the articles of association and the Dutch legislation.
- 16.1.2. The financial audit report prepared by the external auditor will be presented to the General Assembly.

16.2. Budget

- 16.2.1. Each year the Treasurer, on behalf of the Executive Committee, will propose to the General Assembly a draft budget for the coming financial year.
- 16.2.2. The budget will show expected income (membership fees and any other type of financial resources) secretariat fee and expenses and provisions for specifically funded projects, support available to members from developing countries and support for ILAC representatives to undertake relevant liaison activities.

16.3. Contributions

- 16.3.1. ILAC is intended to be a self-funding association between its participating bodies. To this end, its financial viability is a shared responsibility.
- 16.3.2. The ILAC contributions (fees) for a particular financial year will be set according to a formula agreed by the General Assembly; the aggregate of

which will be sufficient to meet agreed budget objectives.

- 16.3.3. The costs of ILAC conferences and meetings of the General Assembly will be covered by fees payable by all participants.

17. FINANCIAL AUDIT COMMITTEE

17.1. Members of the Financial Audit Committee (FAC)

- 17.1.1. The FAC shall consist of three (3) persons from the ILAC membership and shall be elected at the General Assembly by the Eligible Voting Members.
- 17.1.2. The following rules shall apply for membership of the FAC:
- a. Two (2) members shall be elected from Full or Associate Members;
 - b. One (1) member shall be elected from Stakeholder members;
 - c. No persons serving on the FAC shall be a member of the Executive Committee; and
 - d. An ILAC member may nominate only one (1) candidate to serve on the FAC.
- 17.1.3. The members of the FAC shall elect a Chair.
- 17.1.4. The term of service for the members of the FAC shall be for a maximum of two (2) consecutive, three (3) year terms, i.e. a maximum of six (6) years. A member once having resigned from the FAC or completed the maximum period of service shall not be eligible to serve for a further term.
- 17.1.5. If a position on the FAC becomes vacant between meetings of the General Assembly, the Executive Committee may appoint a person to serve on the FAC. The General Assembly shall be asked to endorse the appointed member of the FAC at the following General Assembly.

17.2. Tasks and mandate of the FAC

- 17.2.1. The FAC shall review the annual accounts and the report of the independent auditors. The purpose of this review shall be to identify and report on management's handling of the ILAC finances including financial reporting, internal controls, and the application of the budget approved by the General Assembly.
- 17.2.2. The FAC shall report to the General Assembly each year and may make such recommendations to the General Assembly as it sees fit.
- 17.2.3. The FAC shall recommend at least one month prior to the General Assembly to formally approve or not the annual accounts.

- 17.2.4. The FAC may meet as it sees fit, or conduct its deliberations by electronic means.

The members of the FAC shall be provided with full access by the Executive Committee to all relevant information.

End of Bylaws

ILAC Bylaws Annex 1

The Multiplier Factor and the Combined Multiplier Factor

1. Introduction

In article 10 paragraph 10 of the articles of association is stated that a multiplier factor shall be applied to votes cast by Eligible Voting Members from economies with less than 10 Eligible Voting Members.

The effect of using the multiplier factor is to increase the weight of votes cast by these members compared to votes cast by Eligible Voting Members from economies with 10 or more Eligible Voting Members.

2. The Multiplier Factor (MF)

The MF is calculated based on the number of Eligible Voting Members (EVMs) in an economy. If the number of EVMs in an economy is between 10 and 19 the MF is 1.1 (see article 10 paragraph 10, a of the articles of association). The MF shall be increased by 0.1 when the number of EVMs in an economy reaches twenty, thirty, etc.

In table 1 below, the MFs for economies where the number of EVMs is between 10 and 69 are shown.

Table 1

Number of EVM	0-9	10-19	20-29	30-39	40-49	50-59	60-69
Multiplier Factor	n.a.	1.1	1.2	1.3	1.4	1.5	1.6

3. Combined Multiplier Factor (CMF)

If two or more economies have 10 or more EVMs a Combined Multiplier Factor (CMF) shall be calculated and applied to votes cast by the EVMs from economies with 1 to 9 EVMs.

The MF for each economy shall be determined (see table 1) and a CMF shall be calculated by multiplying the MF for each economy where there are 10 or more EVMs.

Example 1:

If there are 13 EVMs in economy A and 21 EVMs in economy B the CMF is calculated as follows:

MF for economy A:	1.1
MF for economy B:	1.2
Combined Multiplier Factor (CMF):	$1.1 \times 1.2 = 1.32$

The CMF **1.32** shall be applied to each vote cast by Eligible Voting Members from economies with less than 10 EVMs.

Example 2:

If there are 15 EVMs in economy C, 12 EVMs in economy D and 34 EVMs in economy E the CMF is calculated as follows:

MF for economy C:	1.1
MF for economy D:	1.1
MF for economy E:	1.3
Combined Multiplier Factor (CMF):	$1.1 \times 1.1 \times 1.3 = 1.57$

The CMF **1.57** shall be applied to each vote cast by Eligible Voting Members from economies with less than 10 EVMs.