

# Specification for Services of Assessment Agency

## I Terms

The definition of the terms used herein shall be as follows.

- (1) “JIPM” shall mean Japan Institute of Plant Maintenance.
- (2) “TPM” shall mean to develop a system to which all workers engaged in work at a target factory join and work for maintenance of manufacturing plant (Total Productive Maintenance) and information or practical technology associated with it.
- (3) “TPM Excellent Awards and PM Excellent Engineering Awards” are to be given to companies or entities which perform TPM (“Companies”) and passed the assessment performed by the assessment agency pursuant to the standard stipulated by JIPM to consider whether any progress has been made due to TPM.
- (4) “Consulting Service” shall mean the following services provided by the Assessment Agency:
  - To give instructions on specific procedures for the implementation of TPM and to give guidance and advice on solutions to the specific issues regarding the implementation of TPM.
  - To give specific advice to the Companies in preparation for the Assessment of TPM Excellent Award.
- (5) “Assessment Agency” shall mean an organization which is accredited by JIPM based on the criteria specified in this Specification, and which, following the Assessment Criteria and the procedures specified by JIPM, conducts the assessment as to whether the applying Companies deserve the TPM Excellent Award.

## II Requirements for Assessment Agency

The Assessment Agency must meet the following requirements:

- (1) The Assessment Agency shall be a public corporate body or a quasi-public corporate body, which will be judged by a legal system of the country to which the Assessment Agency belongs.
- (2) The Assessment Agency must have financial stability and management

resources necessary for the operation.

- (3) The Assessment Agency must be fair and neutral in its operation of the Assessment Services, for example:
  - It does not infringe any right or profit of a particular individual or an organization.
  - It does not advertise or criticize any particular commercial institutions or products.
- (4) The Assessment Agency must separate the functions which conduct the Assessment Service and the Consulting Service. In particular, the Assessment Agency must meet the following requirements:
  - (a) The responsible person who are in charge of the Consulting Service function and the assessment function, respectively, shall not be the same person.
  - (b) The assessment function and the Consulting Service function are independent from each other in their accounting.
- (5) The Assessment Agency shall have confidentiality obligation with regard to the Assessment.
- (6) The Assessment Agency shall execute an agreement with the Approved Assessors or the Assistant Assessors who meet the requirements specified by JIPM or shall employ them in order for them to conduct the Assessment Service. The qualification requirements of the Approved Assessor and the Assistant Assessor shall be specified in “Qualification Requirements of Assessor for TPM Excellent Award”.
- (7) The Assessment Agency shall not make it a condition upon performing the Assessment Service that the applying Companies have a certain size or above and that they have certain interest to the relevant Assessment Agency.
- (8) The Assessment Agency shall prepare procedures for operation in order to ensure that the requirements specified in this Specification are met.
- (9) The Assessment Agency shall prepare a procedure specifying the criteria of this Specification. The procedure shall include the following items:
  - (a) A list showing the name, organization, position and assessment experience of the Approved Assessor and the Assistant Assessor
  - (b) An organizational chart showing the lineage of split of work between the sections which constitute the Assessment Agency

- (c) A procedure for securing the personnel for the Assessment Agency including the Approved Assessor and the Assistant Assessor and a procedure for education and training
- (d) Assessment procedure
- (e) Procedure for handling objections, claims and disputes

### III Specification for Assessor

#### 1. Agreement with Assessor

The Assessment Agency must request the Approved Assessor to sign an agreement to the effect that the Assessor promises to follow the rules that the relevant Assessment Agency has established with regard to the implementation of the Assessment Service. This agreement must include matters concerning confidentiality and interest with the subject Companies of the Assessment, and that the Assessment Agency or the Approved Assessors or the Assistant Assessors.

#### 2. Procedures for Appointment of Assessment Team

The Assessment Agency must appoint an Assessment Team to be in charge of the Assessment. In this case, it is required to comply with the following matters:

- (a) To consist the Assessment Team with two (2) members or more. Assistant Assessors may join the Assessment Team, provided that the team is not comprised of only the Assistant Assessors.
- (b) To allocate an Approved Assessor or an Assistant Assessor with proper ability as a member of the panel of Assessors that conducts Assessment for the Companies after considering the characteristics of the region where the subject Companies of the Assessment locates, and the size and business content of the Companies;
- (c) If judged it is difficult to satisfy the conditions in A) above, that the Assessment Agency may ask other Assessment Agency located in countries or regions other than the country or the region to which the Assessment Agency belongs for the Assessment or to provide it with the personnel(s);
- (d) If an Assessor has had or is expected to have any interest in

the Companies subject to the Assessment (such as the cases where the relevant Assessor has provided Consultation Service with the Companies subject to the Assessment, or where the Assessor has received money directly from the Companies, or has received entertainment) within the past two (2) years counting from the assessment date, that the relevant Assessor shall not participate in the Assessment of the relevant Companies; and

(e) To continuously evaluate the activities of the Assessors concerning the performance of the Assessment Service.

### 3. Records on Assessors

The Assessment Agency must maintain records consisting of the following items with regard to the Assessors with whom it executes agreement or whom it employs:

- (a) Name and address
- (b) Affiliation or position
- (c) Academic background and professional qualification
- (d) Assessment performance record
- (e) Evaluation of the relevant Assessor's past performance by the Assessment Agency

### 4. Objections, Claims and Disputes

#### (1) Enquiry

The Assessment Agency must appropriately handle objections, claims and disputes concerning the Assessment brought in by the Companies to such Assessment Agency.

#### (2) Treatment, Correction and Prevention

The Assessment Agency must conduct the following matters:

- Keeping of records of all objections, claims and disputes with regard to the Assessment, and records of correction and prevention
- Proper correction and prevention
- Evaluation on effectiveness of conducted treatment (confirmation of non-recurrence)

## IV Specification of Assessment Service

## 1. Solicitation for Assessment

- (1) Solicitation shall be conducted in accordance with the "Application Outline".
- (2) The Assessment Agency must provide the applying Companies with the application procedures which allow such Companies to submit the applications signed by the representatives of such Companies after filling out all the required items. The applications must include description on the type of award that the Companies wish to receive and to the effect that the Companies satisfy conditions for the Assessment.

## 2. Assessment Service

### (1) General Statement

(a) The Assessment consists of the First Stage Assessment and the Second Stage Assessment. The details of the First Stage and Second Stage Assessment shall be specified in the Application Outline.

(b) In principle, the interval between the First Stage Assessment and the Second Stage Assessment is six (6) months.

(c) The assessment date shall be decided by the Assessment Agency.

(d) In addition to (a) and (b) above, the Assessment Agency must comply with the following matters:

- Gathering of information necessary for the Assessment

The Assessment Agency must check the information regarding the Companies subject to the Assessment prior to such Assessment in order to ensure the following matters:

- The Companies subject to the Assessment understand the procedures of the Assessment.
- Misunderstanding which has arisen between the Assessment Agency and the Companies subject to the Assessment has been cleared.
- The Assessment Agency provides the Assessment Service which corresponds to the requests of the Companies subject to the Assessment, such as the language to be used and the like.

- Plan

The Assessment Agency must develop a plan on the assessment

activity in order to properly conduct the necessary Assessment Service.

- Notice

The Assessment Agency must notify the Companies subject to the Assessment of the names of the members of the panel of Assessors which conducts the Assessment, assessment date and information required for the performance of the Assessment.

- Agreement with the Companies subject to the Assessment

The Assessment Agency must agree with the Companies subject to the Assessment with respect to the assessment plan, organization of the panel of Assessors and assessment date.

- Arrangement of Translators

The Assessment Agency shall perform services such as arrangement of translators in order for the Assessors to perform the Assessment Service smoothly.

## (2) Judgment of Acceptance

The Assessment Agency shall make a judgment (judgment on acceptance or rejection) on whether or not the Companies subject to the Assessment satisfy the Assessment Standards (Specification C) stipulated by JIPM.

### (e) < First Stage Assessment >

- The panel of Assessors shall notify the Companies subject to the Assessment of the acceptance or rejection on the date of the judgment.
- The panel of Assessors shall notify the Companies that did not pass the First Stage Assessment that they cannot undergo the Second Stage Assessment unless they have passed the First Stage Assessment.

### (f) < Second Stage Assessment >

- With regard to the Second Stage Assessment, judgment on acceptance or rejection shall not be notified to the Companies subject to the Assessment on the day of the Assessment.
- The Assessment Agency shall notify the Companies that judgment of rejection or acceptance shall be made after the results of the First Stage and the Second Stage Assessment are examined in a comprehensive manner in order to make a

final judgment.

(g) < Final Judgment >

The Assessment Agency shall examine the results of the First Stage and the Second Stage Assessment in a comprehensive manner and make a final judgment on acceptance or rejection.

(3) Report

(h) The Assessment Agency must submit the results of the judgment for the First Stage and the Second Stage Assessments in writing together with a report on overall condition of the Companies subject to the Assessment to the PM Award Management Committee of JIPM.

(i) The report from the Assessment Agency to JIPM must include the following items:

- Date of the Assessment
- Name of the panel of Assessors of the Assessment Agency which conducted the Assessment and a signature of a responsible person
- Names of the head Assessor and of the Assessors participated in the Assessment
- Specification of the Companies subject to the Assessment (name, location, position and name of the responsible person and the person in charge, etc.)
- Types of awards that the Companies subject to the Assessment wish to receive
- Judgment on acceptance or rejection (the view of the panel of Assessors as to whether or not the Companies deserve acceptance) and its grounds

3. Notification Service

(a) The Assessment Agency shall give notice of acceptance or rejection to the Companies subject to the Assessment at its own responsibility.

(b) A notice of acceptance must be given in writing which certifies the acceptance for the TPM Excellent Award. The notice of acceptance shall include the following items:

- Type of awards and certified date
- Name and location of the Companies which passed the Assessment
- Name, logo mark and name of the responsible person of the Assessment Agency
- Name, logo mark and name of the representative of JIPM
- Note describing that the TPM Excellent Award is hosted by JIPM.

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