

**POSITION PAPER OF THE WORKING GROUP ON GOOD LABORATORY PRACTICE:
'OUTSOURCING' OF INSPECTION FUNCTIONS BY GLP COMPLIANCE MONITORING
AUTHORITIES**

**(as endorsed by the Working Group on Good Laboratory Practice at its 20th Meeting on 4 April 2006
and declassified by the Joint Meeting on 10 June 2006)**

This document is a statement of policy set by the 1989 Council Decision-Recommendation on Compliance with Good Laboratory Practice [C(89)87(Final)]. It reiterates the decisions and the recommendations related to the role and responsibilities of governments, national GLP compliance monitoring authorities and inspectors set out in that Act and its Annexes and states current practices. The Working Group on GLP is of the opinion that, while the Council Act allows "outsourcing" of inspection functions, this should be the exception rather than the rule and should be used only as an interim solution and primarily by new GLP compliance monitoring programmes.

1. The OECD Council Decision-Recommendation on Compliance with GLP [C(89)87(Final)] sets the legal basis and framework for compliance monitoring schemes for member countries and for non-members adhering to the Council Acts on Mutual Acceptance of Data. The Decision paragraphs in this Act are legally binding and the guidance set out in the Annexes to it is recommended, and thus it constitutes a political engagement. The concepts in this guidance are the result of consensus and represent current practice in member countries. They should be used together with the Decision paragraphs as the basis for any policy regarding "outsourcing" of inspection functions.

2. As more and more test facilities located in economies which are not yet part of the MAD system are working in compliance with the OECD Principles of GLP to meet the regulatory requirements of OECD countries to which they submit data, the need to monitor them for compliance is also growing. A very small proportion of these facilities in non-member economies are inspected on an ad hoc basis by representatives of GLP compliance Monitoring Programmes in member countries at the request of the latter's receiving authorities, and the compliance status of these facilities is placed on the annual overview of the member country supplying the inspectors (which sometimes also delivers "GLP certificates" to the facilities).

3. For example, a quick survey of the annual overviews of facilities inspected for 2004 resulted in the following: France (industrial chemicals and pesticides) included in its overview a facility in Senegal; Germany included in its overview two facilities in India; the Netherlands included a separate list of facilities inspected in non-OECD countries in its overview, two in Brazil, two in India.

4. This can only be seen as an interim solution for these facilities, which are for the great majority located in countries which are or will be adherents to the MAD Council Acts. It has continually been made clear to facilities in such a situation that ad hoc inspections of this kind are not covered by the MAD agreements and that no guarantee can be given to them that their data will be accepted in other member countries than the one inspecting. These facilities and their governments have been informed that the only

way to guarantee the acceptance of pre-clinical safety data in member countries is via adherence to the MAD Council Acts.

5. There are both OECD countries and non-member economies in which the number of facilities doing regulatory testing according to GLP (usually exclusively to meet the requirements for foreign, OECD markets, rather than domestic ones) is quite small. It might be inefficient for the governments of small economies (in the sense of the size of their safety testing industry for regulatory purposes) to carry out all of the procedures related to inspection and study audits themselves. The cost of setting up and maintaining a working inspectorate and the difficulties of doing so when it has little work to do may in some cases outweigh the benefits of having a domestic inspectorate. Countries need to consider the most effective and efficient way of ensuring access to market of their chemicals industry. There are ways for such governments to implement the MAD Council Decisions, primarily the 1989 Act, in such a way as to ensure that all of the requirements are met by outsourcing some of the tasks while retaining the overall responsibility for the consequences of the implementation of the Acts.

Requirements of the 1989 Council Decision-Recommendation

6. The Decision paragraphs in the 1989 Council Act on Compliance with GLP require countries to establish national procedures to monitor compliance with the Principles of GLP; to designate an authority(ies) to discharge the functions required by the procedures for monitoring compliance (which are set out in the Annexes to the Council Act); to require management of test facilities (under their jurisdiction) to issue a declaration that a study was carried out under GLP (and pursuant to any other provisions established by national legislation or administrative procedures dealing with GLP).

7. Furthermore, they state that countries need to recognize assurance by another country that test data have been generated in compliance with the Principles of GLP only when all of above requirements have been met and an authority(ies) has been designated for international liaison and the other functions set out in the Annexes.

8. The Annexes to the 1989 Act (procedures for compliance monitoring, for carrying out inspections and study audits and for information exchange) are not part of the Decision, but rather follow from the Recommendation paragraph in the Council Act. Nevertheless, since there is a Decision paragraph in which the functions required by these procedures are to be discharged by the designated monitoring authority, they are in fact vested with a more mandatory meaning. A close look at Annex I (the revised Guides for Compliance Monitoring Procedures) shows that the components of the procedures must be carried out by a properly constituted, legally identifiable body within a defined administrative framework established by countries. This means that, under MAD, such a body must be established by and in the member country or non-member economy where the test facility is located.

9. The functions of this “body” are clearly defined in Annex I, and they cover administrative and legal functions. The Annex also specifies that the body established by and in the country (called the National GLP Compliance Monitoring Authority in the Annex) does not need to carry out the daily work of inspection itself, but it must rather ensure that qualified and properly trained personnel are available. It specifies that inspectors can be either permanent staff of the National GLP Compliance Monitoring Authority, or the permanent staff of a separate body or employed on contract or in another way by the National GLP Compliance Monitoring Authority to perform inspections and study audits. Responsibility for the decision on the GLP compliance status of facilities and the quality of studies audited and for taking any action based thereon, however, always lies with the National GLP Compliance Monitoring Authority.

Responsibilities and functions

Monitoring Programme/Authority

10. If the discussion is limited to the principle of outsourcing inspection functions to inspectors from another country, it is clear that this is compatible with the 1989 Council Decision. It is also clear that the outsourcing country has the ultimate responsibility for the outcome of GLP compliance monitoring of facilities within its territory. There must be a government-mandated GLP Compliance Monitoring Programme (scheme) implemented by a Monitoring Authority(ies) in the country which maintains “political” oversight. This responsible legally-constituted entity must exist at least in a minimum form in the outsourcing country. It is responsible for nominating inspectors, for making the compliance decision regarding the GLP status of facilities in its territory and for taking any actions based on the results of inspections or audits (i.e. it deals with appeals, issues compliance certificates as appropriate, takes court action, as appropriate, etc.).

11. In order to comply with the requirements of the 1989 Council Decision, the Monitoring Programme/Authority in the outsourcing country must also act as the point of international liaison. The Head of this Programme¹ is a Member (or Observer in the case of provisional adherents to the MAD Decisions) of the OECD Working Group on GLP, who prepares and circulates annual overviews of facilities inspected, ad hoc reports of major deviations, etc. (He/she may be represented at the meetings of the Working Group by a senior inspector from another OECD country in charge of actual inspections in the outsourcing country, but must remain the official liaison point and therefore official Member/Observer of the Working Group.)

Inspection functions

12. As shown in paragraph 9, the 1989 Council Act does allow for nomination of inspectors who are staff of “another body” or via contract or other arrangements; nothing prevents involving inspectors from outside or from another member country as long as the outsourcing body is responsible for their having the appropriate qualifications. This option has been used by Monitoring Programmes in OECD. It must be clear that inspectors on loan or contract from another country are not doing these inspections for their own Programme/Authority and that the latter cannot include the facilities in the outsourcing country on their annual lists of facilities inspected, nor issue compliance certificates, statements or any other document to the facility. This is the responsibility of the Programme/Authority in the country where the facility is located.

13. For OECD and adhering countries which already take part in the Working Group, it is important only that these arrangements be clearly documented, the responsible national Monitoring Programmes having already been established and National Authorities named. Such arrangements are subject to review in the context of on-site evaluations which examine the legal basis and functioning of the Monitoring Programme as well issues like nomination of inspectors.

Implications for new Monitoring Programmes

14. The situation is no different for new Monitoring Programmes which take part in the MAD system, whether these be in member countries establishing a new monitoring programme (or extending the

¹. The terms of reference of the Working Group on GLP state that it comprises “persons nominated by governments who are responsible for GLP compliance monitoring” in the member or non-member country.

scope of an existing programme to cover an additional product area) or in non-member economies which provisionally adhere to the MAD Council Decisions.

15. Non-members adhering to the Council Decision- Recommendation must establish the Monitoring Programme and nominate the Monitoring Authority, and take the responsibility for making compliance decisions and for taking action related to them. The way that they implement their programmes on a practical and daily basis is their prerogative, and the acceptability of the procedures they use is monitored by the Working Group on GLP through questionnaires, on-site evaluation visits, etc.

16. The Working Group on GLP is comprised of representatives of the governments which have entered into the multilateral agreement on Mutual Acceptance of Data. For this reason, the official Member (or Observer) of the Working Group is the (head of the) GLP Compliance Monitoring Programme(s) from each government represented, even though he/she may not actually take part in the practical work of the Working Group.

17. In short, any economy which wants to enter the MAD system must establish an entity (Compliance Monitoring Programme/Monitoring Authority) which is responsible for decisions on compliance with GLP, actions taken based thereon involving test facilities in its territory and international liaison. It may engage assistance from outside to carry out the inspection and related functions of actual compliance monitoring. The procedures established by the Working Group on GLP to examine implementation by countries of the 1989 Council Act will ensure that the functions which are outsourced are carried out in accordance with the standards of OECD.