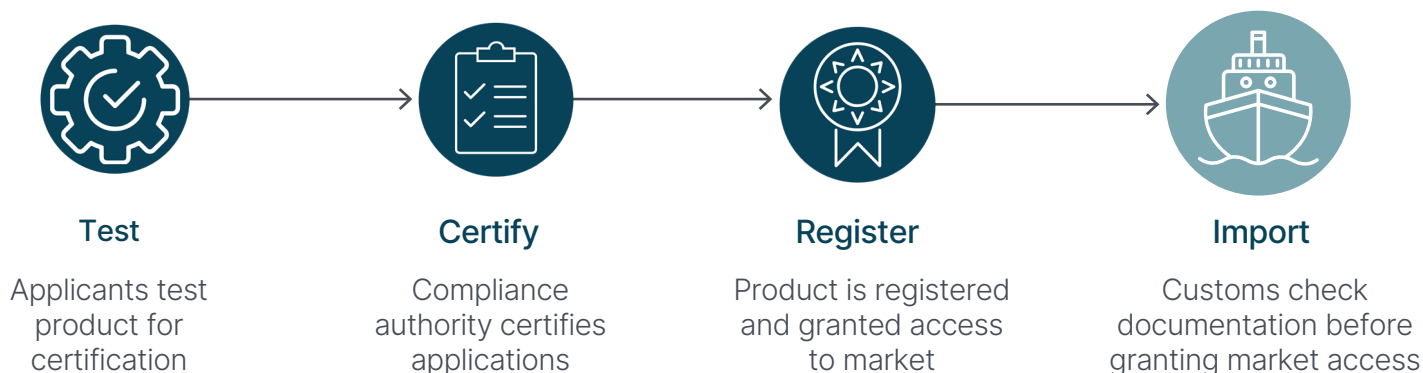


## Conformity Assessment Supports Compliance at Market Entry

Strategic compliance with appliance efficiency policies safeguard energy savings, CO<sub>2</sub> emissions reductions, and other benefits. They bolster the credibility of standards and labels, protect consumers, and provide a competitive market for suppliers of energy-efficient and quality products.

Robust, cost-effective, and well-rounded compliance processes including conformity assessment, market surveillance and enforcement protect the market from inefficient and low-quality products. Conformity Assessment is the first step towards protecting markets from non-compliance and involves checking and recording products as compliant before allowing them on the market through these activities:



Products are tested to make sure they meet appropriate energy efficiency requirements, after which they are certified as compliant. They can then be registered in a national or regional product registration system, which supports market surveillance and enforcement. In import economies, products can also be checked prior to or at customs before being granted market access.

### A rigorous and independent conformity assessment process benefits the entire market by:



Expediting the free flow of goods in international commerce.



Ensuring confidence of consumers, public authorities, and manufacturers on conformity of products.



Providing regulatory confidence and demonstrating that products placed on the market comply with all legislative requirements.





Providing cost savings for market surveillance and enforcement.

## In Practice: Mutual Recognition Agreement in Australia & New Zealand

Under the Trans-Tasman Mutual Recognition Agreement, Australia and New Zealand share product testing and product registration under their joint Equipment Energy Efficiency (E3) program. While they both contribute financially, industry also pays a fee to register their products in a joint product database. This tool facilitates resource-effective information sharing for conformity assessment and market surveillance between two countries.

### Market Risks Inform Product Testing & Certification Approaches

Regulators should consider market characteristics and risks when designing conformity assessment process. Product testing and certification can be conducted by the suppliers themselves, or through independent third parties, which typically results in much higher compliance rates and can reduce the investment needed for market surveillance. The table below describes how, when, and why to use each approach.

	 Supplier's Declaration of Conformity (SDoC)	 Third Party Testing & Certification
Who	Manufacturer or importer	Independent or accredited body
What	Provides Supplier's Declaration of Conformity	Provides impartial test report and certification
How	Supplier declares products have been tested and meet program requirements	Products are tested by accredited laboratories and certified by accredited body
When	<ul style="list-style-type: none"><li>• Prerequisite for market entry</li><li>• Risk of non-compliance is low</li><li>• Well resourced market surveillance in place</li><li>• Self-declaration is sufficient</li></ul>	<ul style="list-style-type: none"><li>• Prerequisite for market entry and/or certification programs</li><li>• Risk associated with non-compliance is high</li><li>• Limited market surveillance resources</li><li>• Independent assessment is necessary</li></ul>
Benefit	<ul style="list-style-type: none"><li>• Quicker to place products on individual markets</li><li>• More flexible for suppliers</li></ul>	<ul style="list-style-type: none"><li>• Provides greater confidence and trust</li><li>• Quicker to place products on multiple markets</li><li>• Cost and time savings for regulators</li></ul>

### Mutual Recognition Agreements

Independent or third party testing and certification provides more confidence in product compliance. Compliance authorities that use this approach can implement mutual recognition agreements to facilitate the acceptance of test reports and certificates produced by accredited testing authorities in different economies, significantly reducing compliance costs to both governments and product suppliers.

### Product Databases: Tools for Tracking Compliance

Product Registration Systems, or databases document tested and certified products on the market and can support cost-effective market surveillance and enforcement efforts. They can take a variety of forms, from basic lists of compliant or certified products used by regulators to comprehensive searchable databases that are also accessible by consumers online or in smartphone applications.

### Checking Products Before or at Customs

To keep market surveillance costs low for limited-resource import markets, products can be checked for compliance before or at customs. Pre-shipment verification of conformity (PVoC) companies can verify products meet relevant standards at the port of origin. The importer often pays the PVoC costs. This additional check provides higher confidence in the conformity of imported products at low cost to the supplier.