



Enforcement Corrects and Deters Non-Compliance

Strategic compliance with appliance efficiency policies safeguard energy savings, CO₂ 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.

Enforcement involves taking action against, correcting, and deterring non-compliance. Once a case of non-compliance has been identified, the national compliance authority must:



Assess

Compliance authority assesses severity and impact of non-compliance



Enforce

Compliance authority enforces appropriate enforcement actions



Deter

Compliance authority communicates offences and responses to deter future non-compliance

Authorities should assess the severity and impacts of each offence to determine which enforcement intervention is most suitable to correct non-compliant products or penalize suppliers. Communicating market surveillance and enforcement activities, findings, and outcomes helps deter future cases of non-compliance with appliance efficiency or quality policies.

Appropriate and proportionate enforcement actions ensure that:



Inefficient or poor quality products are removed from the market.



Suppliers are treated fairly with a chance to correct non-compliance.



Consumers are protected from negligent suppliers' actions and claims.



Resources are used effectively to correct or penalize non-compliance.

In Practice: Communicating Non-Compliance

Communication helps deter non-compliance and discourages consumers from purchasing non-compliant products. Compliance authorities around the world deploy a variety of tactics.



India's Bureau of Energy Efficiency hosts the Star Label Mobile Application, allowing users to compare labelled products based on key features and monetary savings over a period of time. Users can also provide feedback and report non-compliant or mislabeled products via the app.



Ghana uses the “No Label, No Good” slogan to crowdsource compliance from consumers. The Ghana Energy Commission promotes energy efficiency and the national label on television and radio, delivers cross-country training events, and hosts an annual roadshow on policy requirements.



China hosts an annual television show where high-level officials present findings from annual verification testing for various products and regulations. Manufacturers of non-compliant products are named and shamed – an effective deterrent in China.

Assessing Types of Non-Compliance

Not all cases of policy non-compliance are alike – different offences require different responses. Compliance authorities must assess the intent, severity, and impact of an offence before deciding on an enforcement response. Accidental or minor cases of non-compliance, such as misprinted labels, do not warrant the same response as deliberate and severe cases of non-compliance that actively cheat customers out of energy savings.

Addressing Non-Compliance with Proportional Enforcement Interventions

Compliance authorities must take appropriate and proportionate action to address and rectify offences. Having a variety of enforcement interventions at hand offers flexibility to address both minor and major infractions. National regulation should prescribe a list of applicable penalties, but other interventions can offer more timely and cost-effective action. Most of the time, compliance authorities use informal actions to address minor infractions, such as written agreements, to correct issues within a specified timeframe. Very occasionally, the authority will undertake costly and time-consuming formal sanctions or prosecutions to penalize the most severe or intentional offences, and to deter future serious cases of non-compliance.



Informal Actions

- Flexible
- Avoid lengthy and costly legal processes
- Maintain confidence and trust with industry
- Industry & government preferred approach
- Can be followed by more severe actions
- Not a strong deterrent for non-compliance

Severe Actions

- Rigid
- Costly and time consuming
- Increase industry and consumer awareness
- Require strong burden of proof
- Most successful at removing and deterring non-compliance