

# **The Future Direction of Conformity Assessment in a Globalised Economy**

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**Mark Bogers**  
**Team Leader Electrotechnical Industries**



**European Commission**  
Enterprise and Industry

# Regulations for a global market place

- **History of integration of the EU market**
- **Solutions found**
- **Trends in global regulations and differences in approaches**
- **Approaches to reduce trade barriers**
- **Possible improvements**
- **Conclusions**

# History of integration of the EU market (1)

- **Early 1980's: mutual recognition of test reports**
- **Single market project agreed in 1985**
- **Objective: single market by 1992**
- **Directives adopted to align national legislation:**
  - **First Directive of 1991: classical type approval system with mandatory standards**
    - Mutual recognition of approvals
    - Regulated Detailed technologies
    - Unmanageable: not possible to follow technological developments
    - Industrial policy objective: promote EU technologies

## History of integration of the EU market (2)

- **Directives adopted to align national legislation:**
  - **Second Directive in 1999 responded to problems with the first Directive**
    - Larger scope: all radio and terminal equipment
    - Deregulate requirements:
      - don't regulate interoperability
      - regulating market access is not an appropriate tool for industrial policy
    - Open approach to conformity assessment
    - Make manufacturers responsible
    - Awareness that type approval does not guarantee compliant products on the market

# Solutions found and lessons learned

- **Closed conformity assessment structures are problematic**
  - There are competent laboratories around the world
  - There are accreditation systems around the world
- **Rely on the responsibility that manufacturers anyhow have**
  - To a large extent one can already rely on liability and consumer protection regulations
  - Oblige manufacturers to have credible evidence on compliance rather than a control structure
  - Be credible in enforcing regulations: survey markets
- **Set requirements globally:**
  - Where you have the lead take the lead to set them
  - Where you don't, don't

# Trends in regulations around the world (1)

- **Rise in number of regulations:**
  - new economies need more developed regulations
  - innovation in the sector
- **Certain blocks of economies trying to do things in common:**
  - EU has managed
  - MERCOSUR and ASEAN are discussing

# Trends in regulations around the world (2)

- **Regulations in larger economies dominant**
  - Smaller economies copy requirements
  - Or just accept their certifications
- **Wealth of local administrative procedures**
  - red tape, with little effect on compliance
- **Little attention to market surveillance**
  - Lot of focus on type approval and test reports
  - Little attention to avoid counterfeits + non-compliant products

# Trends in regulations around the world (3)

- **Traditional industrial economies regulate at low level**
  - EU has concept of essential requirements
  - Level of regulation very similar to US, CDN, JPN, AUS, NZ
- **New larger economies regulate wider**
  - Learning curve, probably comparable to ours
  - Interoperability and quality requirements
  - Industrial policy objectives
  - Need for more consultation with other economies

# Approaches to reduce trade barriers (1)

- **Common regulations**
  - EU together with neighbour economies (EFTA, Turkey)
- **WTO-TBT**
  - Obliges members to be as little trade restrictive as possible
  - Knows procedure of transparency
  - Allows comments

# Approaches to reduce trade barriers (2)

- **Mutual Recognition Agreements on conformity assessment**
  - Bilateral/multisectoral (e.g. EU/US)
  - Multilateral/monosector (e.g. APEC)
  - Do not harmonise requirements
- **Global standardisation**
  - Well developed for some aspects
    - EMC/Electrical safety: ISO/IEC
  - Less developed for other aspects
    - radio and telecommunications
    - environmental

# Possible Improvements

- Classical MRAs do not avoid trade barriers, they help to overcome them
- For many issues, requirements do not need to differ:
  - EMC, electrical safety, interference mitigation techniques
- Regional convergence of regulations should be further pursued. There are overall economic benefits for the economies concerned
- Better structures for regulators to agree on regulatory requirements: ITA II, NTB NAMA
- Improved co-operation on surveillance of global products to find non-compliance and counterfeits

# Conclusions

- The work is a fragmented market place
- This leads to unnecessary costs and red tape
- Regulatory convergence should further be pursued
- Structures for achieving this are lacking
- MRAs that do not harmonise requirements are suboptimal solutions as they don't address the core problem
- A global market place requires global co-operation on enforcement