



Policy Options & Benefits of Conducting Verification Cost-Effectively and Collaboratively

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The cost of conducting verification testing is probably the largest single barrier faced by MV&E authorities.

This presentation identifies a number of policies that, if adopted, would improve the operational effectiveness of MV&E.

Some are particularly beneficial for collaborative activity too...



Policy: registration of product prior to placing on market...

Registration or its equivalent is essential since it provides a mechanism for informing the MV&E authority of what products are in their market.

Registration information should be updated with sales numbers every year by the manufacturer.

Without this knowledge, MV&E authorities have to divert some of their resources into making market surveys to establish what products are in their market.

Avoidance of Testing

Policy: mandatory third-party verification and/or certification by an test laboratory accredited to ISO/IEC17025 is required as part of registration process...

This provides the assurance that the product submitted by the manufacturer was found to be compliant by an independent and competent body when tested.

Policy: Rating plate on product to include unique registration code...

This enables the most rapid and cost effective tracking of the product by MV&E staff.

So much so, that tracking could then be done via the Internet in real time at the point of sale.

Policy: “Technical File” required to be maintained by the manufacturer for each product registered....

Contents to include:

- identification and design history of all models that share the same certification
- production control records listing all subsequent specification changes
- on-going check test details.

The technical file must be made available to the MV&E authority upon request.

Policy: the results of full verification testing of one sample are sufficient for legally determining non-compliance...

If a manufacturer wishes to challenge this and test further products, it shall be done at their expense under the direct supervision of the MV&E authority and at test laboratories approved by them.

Transfer of Cost

Policy: all costs of testing any product found to be non-compliant in verification tests conducted by an MV&E authority are to be refunded to them by the manufacturer/importer....

This reduces pressure on the budgets of MV&E authorities

Policy: samples for compliance checking can be removed from manufacturer/importer stock at no upfront cost to the MV&E authority.

The MV&E authority to refund cost of, or return undamaged, any product found to be compliant....

This requirement reduces the pressure on the budgets of MV&E authorities though does not necessarily entirely reduce the exposure of those budgets since compliant products will still need to be paid for (or returned to manufacturers' stocks – if undamaged).

Use of Reduced Testing Procedures

Policy: witness testing by an MV&E authority or their representative is an accepted substitute for full verification testing...

Increasingly, regulations cover industrial sized products for which few independent test laboratories currently exist.

And those that do often conduct their test programs through sending their experts to examine the test facilities at the manufacturers' premises and to "witness" (and so check) the tests being performed by the manufacturer's own expert staff.

Policy: adoption of harmonized test methodologies based on international standards...

This is the key enabler that will lead to manufacturers more readily obtaining third party certification, for MV&E authorities being able to share results and intelligence, and for them to undertake joint testing programs.

Policy: the results of full verification tests conducted by another MV&E authority can be used for enforcement purposes...

This requirement or something very similar needs to be in place to enable the sharing of test programs (and, so, testing costs) by different MV&E authorities.

Policy: non-compliance should normally be treated as a civil offence but could be treated as a criminal offence when there is intent to defraud.

This is dependent upon the legal system that applies in any particular country but many include a less stringent legal code for civil actions.

This could enable an MV&E authority to apply a sanctions regime without recourse to full court proceedings and so speed up the legal enforcement process at a much lower administrative cost.

Policy: Sanctions (penalties) for non-compliance should always be sufficient to outweigh the benefits of non-compliance...

Sanctions could comprise of the following:

1. Financial penalty based on level of energy “lost” i.e. number of models sold, level of miss-claimed efficiency
2. Recall of non-compliant products with incorrect energy efficiency. Owners of recalled products to be compensated with the choice of refund of purchase cost or a replacement product
3. Owners of non-recalled products to be paid compensation for the additional energy costs over the lifetime of the product

Policy: a maximum tolerance on the declared result should be stated....

The policy should allow for the unavoidable uncertainties of measurement that occur in laboratory tests (perhaps a maximum of 5%).

The policy should NOT allow any additional tolerance for the manufacturing variation between different samples of the same product.

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The adoption of these policies can significantly reduce the costs of verification testing at the same time as increasing the effectiveness of MV&E.

Benefits and Costs of Regional Collaboration

Cost savings through sharing the cost of testing a product

- ✓ Testing costs should be reduced by >50%
- ✓ Particularly beneficial for MV&E authorities operating within a low budget regime
- ✗ Extra costs of travelling to attend meetings to agree the programme
- ✗ Possible extra costs of shipping samples to a laboratory in another country

Multilateral/regional exploitation of the results of MV&E through the development of shared intelligence and databases

- ✓ The results obtained by one MV&E authority could be exploited by other MV&E authorities for no further cost
- ✓ A single set of test results could be leveraged through multilateral exploitation
- ✓ A shared database provides quick and easy access to information. Access to reliable robust information is an essential tool for an effective MV&E authority.
- ✗ There is a moderate cost for setting up an online password protected database.

Lifting of regional and national MV&E performance through adoption of best practice, peer reviews or exchange of experiences

- ✓ The best way to improve MV&E performance is through learning from other MV&E authorities
- ✓ Training activities could be included as part of the program for network meetings
- ✗ Costs can be kept low if your own experts provide the training

Increased confidence and motivation of market surveillance authority staff

- ✓ Working with other MV&E authorities provides the same “strength in numbers” benefits that are known to derive from working in teams.
- ✓ As the expertise of staff increases so does their confidence and motivation

Reduction of duplicated activities

- ✓ By coordinating compliance activities with other MV&E authorities, they can avoid unnecessarily repeating the same and so avoid wasting resources
- ✗ the cost of setting up a database that contains scheduling information provided by each MV&E authority in the network

To summarise, a network of collaborating MV&E authorities leads to...

- ✓ reduced costs of test programs
- ✓ staff that are more skilled and confident
- ✓ More effective MV&E
- ✗ but some extra costs: travels to meetings, time to input information into the shared database