Establishing Regional Compliance of Labeling Program: Best practices in Asia

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The Asian Century

- **50%** World’s electricity consumption by 2025
- **70%** growth in global electricity demand
- **3/4th** global CO₂ emissions
- **8/20** highest emitting countries in the appliance sector

- Appliance energy efficiency is one of the most cost-effective ways to manage growing energy demand sustainably.
- Compliance is critical to success of appliance efficiency policies - safeguards climate and cost savings from energy efficiency policies.
Strategic and Holistic Approach to Compliance

Conformity Assessment
- Test: Applicants test products for certification
- Certify: Compliance authority certifies applications
- Register: Product is registered and granted access to market

Market Surveillance
- Monitor: Compliance authority monitors market for non-compliance
- Verify: Accredited test lab verifies product compliance
- Report: Compliance authority reports results

Enforcement
- Assess: Compliance authority assesses severity and impact of non-compliance
- Enforce: Compliance authority enforces appropriate and proportionate enforcement action
- Deter: Compliance authority communicates offences and responses to deter future non-compliance

Import
- Customs checks documentation before granting market access

Review & Evaluate
- Relevant authority review the programme and evaluate impacts to improve and justify investment in compliance activities
Regional Compliance

- Appliance energy efficiency programs at various stages throughout the region
- Similar products imported across different markets
- Regional collaboration between compliance authorities can help reduce national investments
- Information sharing for the region, stimulate cooperation and support collaboration between members
- Member States who have just launched these programs can benefit from information shared by their neighbors

Reduced Costs  Facilitate Trade  Avoid duplicate testing  Maximized Impacts
Regional Compliance Across the Globe

Global Regional Compliance programs

- ADCO
- ASEAN
- APEC MV&E Network
- Central America
- ECOWAS
- South & East Africa
- Australia & NZ

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Potential Approaches for Harmonization

- **Bilateral** – agreement between two countries in the region
- **Multilateral** – agreement between multiple/all the countries
- **Regional**
  - i) The South Asian Association for Regional Cooperation (SAARC)
  - ii) South Asia Regional Energy Partnership
  - iii) South Asia Regional Integration, Cooperation and Engagement
  - iv) Association of Southeast Asian Nations (ASEAN)
- **Mutual Recognition Agreements (MRA)** to access regional infrastructure and resources effectively
Steps towards Regional Harmonization on Non-Compliance

A strategic regional, cost-effective approach to reduce non-compliance

- A network for MV&E authorities (government to government collaboration)
- Focus on compliance intelligence-sharing and peer learning

Taking small steps towards regional coordination

**Step 1**
Establish economies’ willingness to participate and identify their needs

**Step 2**
Establish regular compliance information exchange & identification of best practices

**Step 3**
Establish bilateral or multilateral MOUs on sharing compliance testing information

**Step 4**
Develop formal, regional coordination of market surveillance activities, e.g. joint testing program

- Strengthened Regional Centers
- Regional PRS
- Regional Testing Capacity & MRAs
- Regional Coordination on Enforcement & Intelligence Sharing
- National Programmes
Best Practices in Asia on compliance
China

- Online label registration supported by QR code
- Publicly available online registration database
- Market surveillance
  - Products sold in retailer's store
  - Products sold online
  - An online tool developed for e-commerce platforms to ensure compliance of products sold online
- Verification testing
- Enforcement
Indonesia

#1: Digitize product registration data for sustainable and resource-effective LTHE labeling program

#4: Establish stakeholder collaboration and a strategy to maximize the outcome of market surveillance activities

#5: Develop innovative tools to streamline market surveillance and test them through a pilot project

Activity 1
Develop and pilot a tool for identifying high-risk products

Activity 2
Develop digital market inspection form and compliance database to record compliance data
India

Legal Framework

- Market surveillance
  - Online
  - In store - 5 states
- Communication & feedback
- Product registration database
- Enforcement

Reporting of test results

Verification
- Targeted testing tool
- Verification testing
Summary/Key takeaways

• Regional Compliance Framework key to facilitate **regionally harmonized efficiency policy implementation**

• Help protect markets and reduces resources needed for policy enforcement and compliance through **regional tools** and **intelligence sharing**

• **Countries** to develop and implement processes for policy compliance (or strengthen existing ones), harmonize them to extent possible, and participate in regional compliance programs
Thank you!
Any questions?
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