

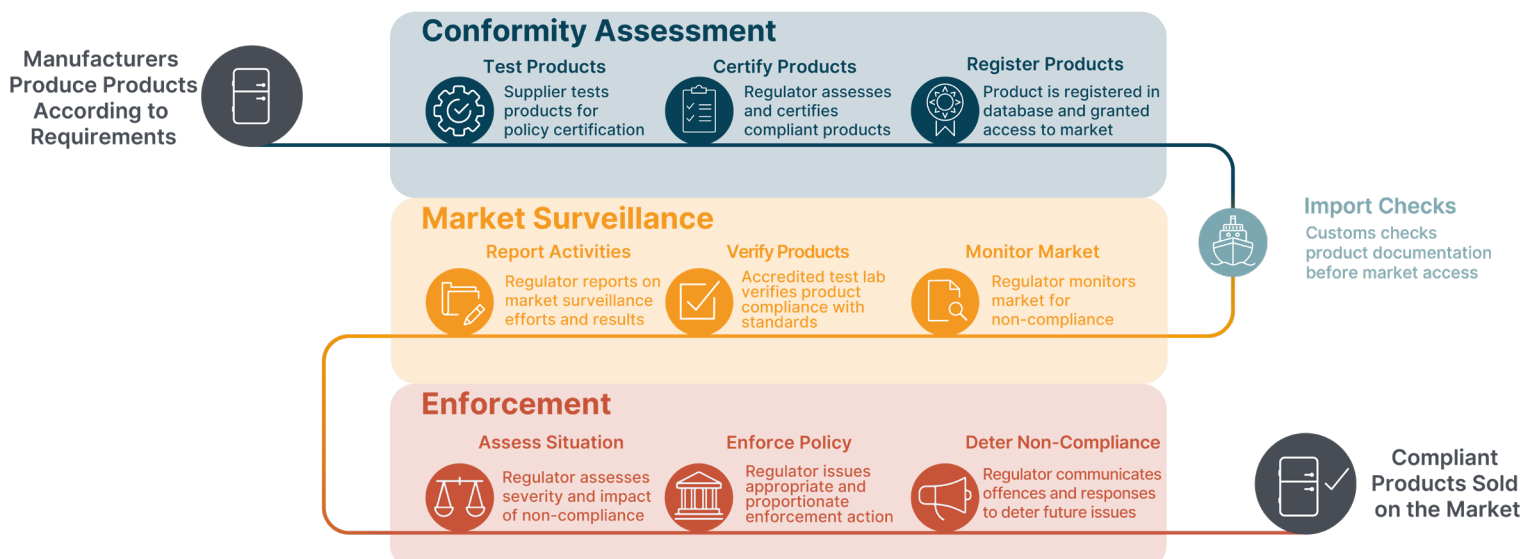


Compliance Protects Energy Efficiency Policies

Ensuring compliance with appliance policies safeguards energy savings, CO₂ emissions reductions, and other benefits. Holistic compliance processes 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 protect the market from inefficient and low-quality products. Products that do not comply with national or regional standards and labels can be denied entry to the market; or identified, corrected, and even removed once available on the market through three stages:

- 1. Conformity Assessment** involves evaluating products before they enter the market through product testing, certification, and registration to ensure they comply with national requirements.
- 2. Market Surveillance** helps identify non-compliant products on the market through monitoring activities, verification testing, and reporting of results.
- 3. Enforcement** corrects and discourages non-compliance by assessing severity of cases and taking appropriate and proportionate enforcement action to deter future offenses.



In Practice: Registration Fees Support Compliance Budget in Australia



As part of their conformity assessment process, Australia's Greenhouse and Energy Minimum Standards Act requires registration before products can be sold on the market. Suppliers must pay a fee for each product registered, ranging from \$440 to \$780 AUD. This covers a five-year registration period and must be renewed once expired. Registration fees contribute to the budget to process applications, maintain the product registration database, undertake market surveillance activities, and deliver improvements to the compliance programme.

Establishing a Compliance Framework

National compliance processes should be designed and implemented in parallel with the development of standards and labels to secure and maximize policy impacts.

When setting up compliance processes and procedures, policymakers should consider:

Process Design and Legal Foundation



Compliance processes should be designed to meet policy and market needs, as the size and nature of the market - whether it is a manufacturing or import economy - will impact how and where to target policy non-compliance. A robust legislative framework sets out the responsibilities of all stakeholders, as well as the offences and penalties, and is best supported by administrative guidelines that answer frequent questions about the legislation and compliance processes.

Clear Roles and Responsibilities



Institutional collaboration supports effective compliance when responsibilities of all actors are clearly defined. The energy, standards, and customs authorities all have roles to play and can benefit from intelligence, experience, and resource contributions from others, such as anti-counterfeiting bodies, or civil society and industry. Responsibilities should be set out in the legislative framework, and guidance on collaboration can be included in administrative guidelines.

Compliance Budget



Compliance activities cost on average less than 1% of savings from appliance energy efficiency policies, making them a highly cost-effective method to safeguard the integrity of standards and labels. Budgets should be based on individual market needs, impacts of different monitoring activities, and the availability of funding.

Regional Collaboration



Collaborating with other governments can offer in-kind resources that strengthen national compliance and reduce costs. For example, when product test procedures are aligned, test results and non-compliance market intelligence can be shared with neighbouring economies so they can also take action. Regional collaboration can help increase the number of products monitored, verified, and enforced, especially across free-trade areas.

Communicating, Monitoring & Evaluating Policy Compliance Efficacy



Communications ensure all stakeholders understand their responsibilities and the consequences of non-compliance. Continuous monitoring and evaluation of compliance processes' effectiveness will enable improvements and help secure renewed compliance investment.

Our Compliance Services

CLASP partners with governments, international institutions, and other stakeholders to design and implement robust and resource-effective compliance strategies to safeguard the expected benefits of appliance efficiency and quality policies. CLASP creates and shares globally trusted resources on how to build and maintain compliance frameworks, and provides capacity building and training to policymakers, test laboratories, and other key partners.