

Regulatory Networking



A New Zealand perspective on the
EEE regulatory networks evolving in
the Asia Pacific area

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Introduction

- As a small nation, New Zealand has recognised the value of using relationships with other countries to expand it's market intelligence
- NZ sees particular benefits from sharing information and working to improve regulatory convergence
- NZ therefore has established, and is negotiating, a number of formal arrangements with other regulatory agencies responsible for the regulation of Electrical and Electronic Equipment (EEE)
- This presentation provides a brief overview of the present arrangements

Overview

- This presentation provides a brief overview of the current, and evolving, arrangements NZ has with:
 - Australia - Trans-Tasman Closer Economic Partnership
 - APEC - EEMRA
 - Singapore - Closer Economic Partnership - EEMRA
 - EU - EEMRA
 - ASEAN - Negotiation of FTA and regulatory interaction
 - Taiwan - EEMRA and regulatory agency discussions
 - P4 - Trans Pacific Economic Strategic Partnership
 - China - EEE Co-operative agreement on conformity assessment

Trans-Tasman Co-operation

- NZ's most important arrangement is the one that it has with 8 Australian Regulatory Agencies
- On a foundation of full equivalence Mutual Recognition, fully co-ordinated marketplace surveillance activities are carried out and complete information sharing takes place
- Because the two markets have almost identical technical and regulatory systems, the information is entirely relevant and as a consequence NZ gains considerably from the arrangement

Trans-Tasman Co-operation



- The Trans-Tasman Mutual Recognition Arrangement means that:
 - more than 80% of the EE products supplied in New Zealand make use of Australian recognition systems; and
 - more than 70 % of market surveillance and enforcement is implemented out of the Australian infrastructure

Trans-Tasman Co-operation



- A system of standardised reporting formats, an electronic mail advice system, and co-ordinated investigation protocols are implemented
- Agreements for co-operative enforcement actions are in place for products certified by one agency sold illegally within another jurisdiction under the mutual recognition arrangement

Trans-Tasman Co-operation



- At the end of each reporting period (12 months) the information of all regulatory agencies is combined, compared and then published by the combined regulatory collective

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APEC

- The first significant developments in regional information sharing began with the development of the APEC EEMRA in the late 1990's
- This 3 Part MRA is a classical testing and certification MRA, but also incorporated a provision for the sharing of information on regulatory systems among participants
- Information Sharing is Part 1 and is the first step towards participating more fully in the MRA
- This information sharing system provides a good backdrop to gaining an understanding of the region's regulatory systems

APEC



- More recently APEC has begun to implement a shared hazard alert system and a benchmarking system for accident statistics
- The proposed system will use an agreed format to report the details of any product that has been subject to a recall, prohibition, sales ban or similar regulatory intervention and a format for reporting benchmarking statistics

APEC



- The Hazard Alert system will be introduced as a voluntary arrangement between APEC member regulators
- The system will apply only to products which have been subjected to regulatory intervention and not those simply under investigation or involved in incidents
- To address possible liability concerns, the system will include a legal disclaimer

Singapore



- The MRA between Singapore and NZ was the first of NZ's MRAs to introduce an obligation for information sharing beyond that directly related to the respective regulatory systems of the two participants
- In most cases the exchange of information occurs through dialogue on specific issues of interest
- An automated system of incident notifications is being developed at present



EU

- NZ has an MRA with the EU for products in seven sectors, including Electrical and Electronic products
- The MRA is currently being strengthened by the inclusion of information sharing provisions
- This will afford NZ access to the intelligence held in the EU RAPEX system

ASEAN



- As part of the trade dialogue with the ASEAN community, NZ is providing:
 - Assistance with the establishment of a Hazard Alert system; and
 - Guidance on the application of risk management techniques to achieve Good Regulatory Practice

ASEAN



- As a regional leader in the application of risk management techniques, NZ see particular benefits accruing from the use of similar regulatory infrastructures
- Benefits include:
 - Increasing the quality of post market surveillance
 - Increasing the relevance of market intelligence
 - Providing a foundation for more “higher level” MRAs
 - Reducing unnecessary barriers to trade

Taiwan



- NZ's EEE MRA with Taiwan includes a commitment to share marketplace surveillance information
- There is a proposal to supplement this MRA with a more comprehensive, formalised arrangement for co-operation across a wider range of surveillance and other inter-regulatory activities
- It is likely that NZ's first full regulatory co-operation arrangement will be negotiated with Taiwan

Trans-Pacific Partnership (P4)



- Although no particular product based arrangements have yet been negotiated in the P4 context, a proposal to establish an RCA is being discussed
- Such an arrangement would be expected to include an agreement to share regulatory surveillance information

China



- NZ's EEE agreement that forms part of the FTA with China combines the benefits of both an MRA and an RCA
- The arrangement is based on the application of equivalence principles applied through a risk based framework
- This arrangement, through making the traded products more consistent, considerably improves the value and relevance of shared surveillance information

China



- The NZ – China EEE agreement is NZ’s most sophisticated conformity assessment “MRA”
- It’s near “equivalence” structure establishes a strong foundation for information sharing and co-operation, and it includes a commitment to carry out enforcement to protect each others’ consumers

Formalising regulatory co-operation

- While the exchange of information on a voluntary, or informal, basis offers significant advantages, NZ has begun to explore the development of arrangements to create formalised agreements between governments or regulatory agencies
- Initially these began as extensions of trade based MRAs however the concept of Regulatory Co-operation Agreements (RCAs) has been adopted to allow for co-operation to be agreed without a trade context

Regulatory Co-operation Agreements

- NZ's approach to FTA design now includes provisions within the TBT chapter to conclude agreements that obligate the participants to undertake activities that seek to improve regulatory compliance

Consistency



- NZ is taking a leadership role in the region:
 - To promote consistency in the reporting formats and protocols that are applied across the information sharing systems
 - To enhance the application of risk management systems to regulatory design to improve the relevance of market intelligence

Concluding comment

- The last slide depicts NZ's international linkages in a pictorial form



