

Co-operation Agreement on Conformity Assessment in Relation to Electrical and Electronic Equipment and Components

NZ-China FTA Roadshow
May – June 2008

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Overview

The Co-operation Agreement is a **formalised approach to inter-regulatory agency co-operation** which aims to:

- Facilitate trade
- Enhance compliance

Applies to a **selected range of electrical and electronic equipment** where a sufficient level of mutual confidence could be demonstrated

Negotiated in parallel with the FTA

Establishes a **blueprint for future agreement**

First opportunity to explore the Chinese regulatory system

Framework

The Agreement was negotiated to achieve **two strategic outcomes**

- To provide **an expandable base framework** for electrical and electronic equipment and components (EEE & C)
- To provide **a blueprint for other products** covered by **China's CCC marking scheme**

The Agreement is based on risk management principles to facilitate trade and improve compliance given the significant quantity of products imported from China

China's CCC Marking Scheme

The CCC marking scheme is one of China's most intensive regulatory systems

The CCC marking scheme is expected to be expanded over time to cover a greater range of trade products



Scope of the Agreement

The Agreement applies to electrical safety, EMC and harmonic emission compliance for a specified list of EEE & C

The specified list of EEE & C covered by the Agreement was derived from:

- The range of EEE & C subject to China's CCC marking scheme
AND
- Products which are Declared Articles in New Zealand or are subject to Supplier Declaration of Conformity (SDoC) in New Zealand

List of products covered

The list was agreed reflecting China's desire to start with a narrow range of products in Stage 1 where a high level of confidence in each country's S& C infrastructure was necessary to negotiate the Agreement

The majority of products covered by the Agreement are power tools, appliances and installation components most commonly used in domestic premises

Refer to handout for list of products

Applicable standards

The Standards included in the Agreement have been selected to facilitate and improve compliance

For Products destined for China: The IEC Standards are applied to allow New Zealand's conformity assessment infrastructure to use existing accreditation processes

For Products destined for New Zealand: Chinese National Standard (GB Standards are based on IEC Standards) are applied to benefit from the strength of China's own accreditation system

In both cases any necessary national deviations are also identified and applied

This approach avoids language problems

Accreditation

The Agreement establishes IANZ and JAS-ANZ as the New Zealand accreditation bodies for testing, certification and inspection services

It couples the New Zealand standards and conformity assessment infrastructure to the Chinese infrastructure to achieve any necessary product, personnel and process registration

It also allows the use of Australian conformity assessment bodies when suitable capacity does not exist in New Zealand

Conformity Assessment and CCC Mark

The Agreement allows New Zealand manufacturers of the specified products to complete all necessary procedures to gain authorisation to apply the CCC mark using test labs, certification bodies and inspection services based in New Zealand

The Agreement works to the strengths of the Chinese standards and conformity assessment system to better manage compliance for negotiated products



Enforcement

To protect the Agreement from misuse and to enhance compliance both countries have committed to carry out compliance enforcement over any of their suppliers and manufacturers which supply non-complaint products through the Agreement

This provision sits along side a commitment to exchange information on recalls, bans etc of products within the scope of the Agreement, thereby increasing both country's market place knowledge

Exchange of information

The compliance pathways applied through the Agreement (e.g. GB Standards and NZ deviations) means that the products supplied under the Agreement are likely to be closely related to those supplied domestically within China

As a result, the exchange of information from surveillance and other enforcement activities in China will have increased relevance to the products sold in New Zealand and any safety concerns identified in New Zealand will be of direct relevance to Chinese regulatory agencies

Benefits for New Zealand

It is the **first** Agreement to:

- Allow full approval to apply the Chinese CCC mark to be given outside of China without direct involvement of the Chinese regulatory infrastructure
- Integrate enforcement alongside trade facilitation commitments
- Apply risk management techniques to improve the compliance of products traded under the Agreement

Summary

The Agreement differs from most common forms of agreements in that:

- It combines trade and compliance enhancement components
- It is a blueprint for future agreements
- It takes particular advantage of the strengths of China's domestic compliance infrastructure
- It uses international Standards to address the accreditation complexities created by language differences
- It contains features specifically designed to support and enhance the regulatory outcome in both countries
- It is not symmetrical (it does not apply the same compliance verification criteria to products traded in either direction)
- It is not a testing or certification agreement, applying the importing country's Standards like the NZ-EU or the NZ-Singapore MRAs

Implementation

The Agreement will be implemented through Gazette notices issued by RSM and Energy Safety

Further information and contact details

The full text of the Agreement (Annex 14), can be found on the China FTA website

www.chinafta.govt.nz

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