THE SUPPLIER'S DECLARATION OF CONFORMITY (SDoC) IN THE EUROPEAN MARKET

DELHI, 30th June and 1st July 2009

CONCLUSIONS

The following slides are taken from the presentation made by FICCI at the beginning of the seminar. The concerns raised by the Indian Industry have been addressed during the discussions and have been answered. The comments are added in the red boxes

Concerns of Indian Exporters with EU

- Lack of Harmonisation of Standards

For harmonised legislation, standards are harmonised throughout Europe, national standards are REPEALED

For non-harmonised legislation, the products only need to comply with one national legislation (and therefore one standard)

- Stringent norms – excessive MRL limits, much beyond international standards

Impact assessments are ran in order to decide the right level of protection. Technical requirements MUST BE proportionate to the aim sought. Standards are directly developed by stakeholders (e.g. Industry and Consumers and independently from the legislator)

- Private Standards (BRC, HACCP, Kosher etc)

Private standards are not decided nor imposed by regulators nor by European Standards Organisations – They are NOT relevant for SDoC – SDoC is neutral to them

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EC SDOC – Issues & Concerns for Indian Exporters

- Private Standards
  - Fundamental concern is rising private standards in EU that are out of the scope of SDOC
  - OECD Study 2008 : “Abandonment by regulators of a mandatory requirement for 3rd party certification may simply be replaced by a demand by the market for 3rd party certification”
  - Encourage private certification schemes (e.g. German GS mark continues to be used for electrical consumer products)

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EC SDOC – Issues & Concerns for Indian Exporters

- SMEs
  - More administrative resources required to obtain information by exporter (especially merchant exporter)

If the conformity assessment procedures are internalised, important cost, time and labour savings are made. They can be used to develop expertise within the SME which would also allow a steadier growth of the company

  - Internal technical expertise, facilities and test required

No certificates does not mean no tests. Test are always compulsory but a company has the CHOICE to run them internally or to confide them to a Conformity Assessment Body

  - Non-transparent regulations could further complicate process for SMEs

All the relevant information is public and published on www.europa.ec.eu : e.g. applicable legislation, implementation measures, guidelines

EC SDOC – Issues & Concerns for Indian Exporters

Lag in detection

- If any deviation found after a long period, the entire production may go waste
- For instance, in case of steel exports to EC well after 5 months of supply violations of norms was found

Under SDoC, like under any other conformity assessment procedure, companies must be sure to put on the market SAFE products from day one. The role of Market Surveillance Authorities (MSAs) is to protect consumers from hazardous products by, for instance, confiscate and destroy them. SDoC does NOT delegate conformity assessment to MSAs but to the producers. MSAs are NOT Conformity Assessment Bodies.

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EC SDOC – Issues & Concerns for Indian Exporters

Technical Documentation

- Need to be kept with the manufacturer or his authorised representative established within EC for at least 10 years
- If not established within EC, then importer has to bear the responsibility – why should the importer take this responsibility for 10 years?
- Ten years – Is it too long?

Ten years is the general rule. However, each Directive establishes the relevant period of time during which the technical documentation must be kept and this can be shorter. During public consultations linked to the revision of a specific directive, Indian stakeholders can suggest to reduce this lapse of time

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EC SDOC – Issues & Concerns for Indian Exporters

- Product Testing
  - Evidence suggests that introduction of SDOC does not necessarily lead to reduction in testing and thereby in cost & time
  - Test Reports in any case have to be part of technical file for a variety of needs – request from surveillance inspectors

Completely true: SDoC does NOT mean less testing. It means that the testing is done in a more company-friendly way. However, by internalising the testing, costs and time are reduced. Finally: internalisation is a choice NOT an obligation

- Module A(a)
  - Notified Body carries out product checks at random intervals – Third Party intervention
  - Notified Bodies have to be located within EU (Not so the case in US)

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EC SDOC – Issues & Concerns for Indian Exporters

- Different risk perceptions within EU → Different interventions for same violation
- Norms/procedures related to market surveillance not harmonized – Essential because more reliance on market surveillance under SDOC

True to a certain extent. For this reason, the EC has adopted a reform of its market surveillance activities which will ensure a more homogenous approach throughout the European Market. The reform will be in force as of 1st January 2010. Still, Companies must focus more on marketing safe products than on the potential sanctions they would get if they do not do so.

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THANK YOU

more questions?

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