

Survey on Report Credibility in Asia Pacific Region

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About APEC



Primary goal: to support sustainable economic growth and prosperity in the Asia-Pacific region

- ❑ championing free and open trade and investment
- ❑ promoting and accelerating regional economic integration
- ❑ encouraging economic and technical cooperation
- ❑ enhancing human security
- ❑ facilitating a favorable and sustainable business environment



About APEC TEL WG

- The APEC Telecommunications and Information Working Group (TEL)
 - One of 15 WG in APEC SOM Steering Committee
 - ICT Development Steering Group(DSG)
 - Liberalization Steering Group(LSG)
 - Security and Prosperity Steering Group (SPSG)
 - MRA Task Force (MRA TF)





About APEC TEL MRA TF

- Task Force formed in 1998
- Participation from most APEC economies' regulators:
 - AITI (Brunei); IC (Canada); MIIT (China); OFCA (Hong Kong); MIC (Japan); KCC (South Korea); NCC (Chinese Taipei); IDA (Singapore); FCC(US); MIC (Vietnam); etc.
- Past leadership of TF: Canada, Australia, US, Hong Kong, Singapore, Thailand and Chinese Taipei.
- The only forum where AP equipment regulators gather
- All stake holders are welcomed to participate





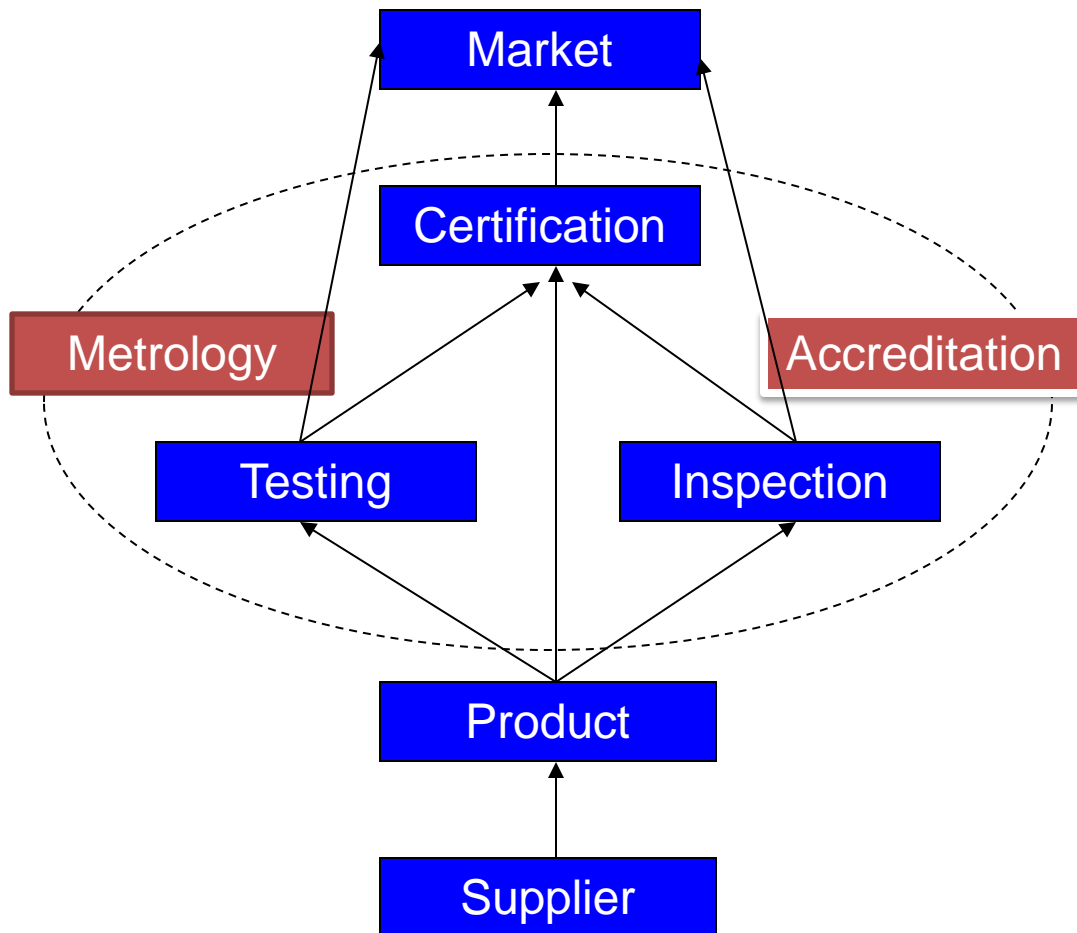
Stake Holders and Functions

- Regulatory Authority (Technical Requirements and Recognition)
- Designating Authority (Designation)
- Accreditation Body (CAB competence)
- Conformity Assessment Bodies (CABs)
 - Testing Laboratory (Testing)
 - Certification Body (Approval)
- Manufacturers/retailers (Sale)
- Consumers (buyer/user)



The technical infrastructure of conformity assessment

Second and Third-Party Assessment



First-Party Assessment

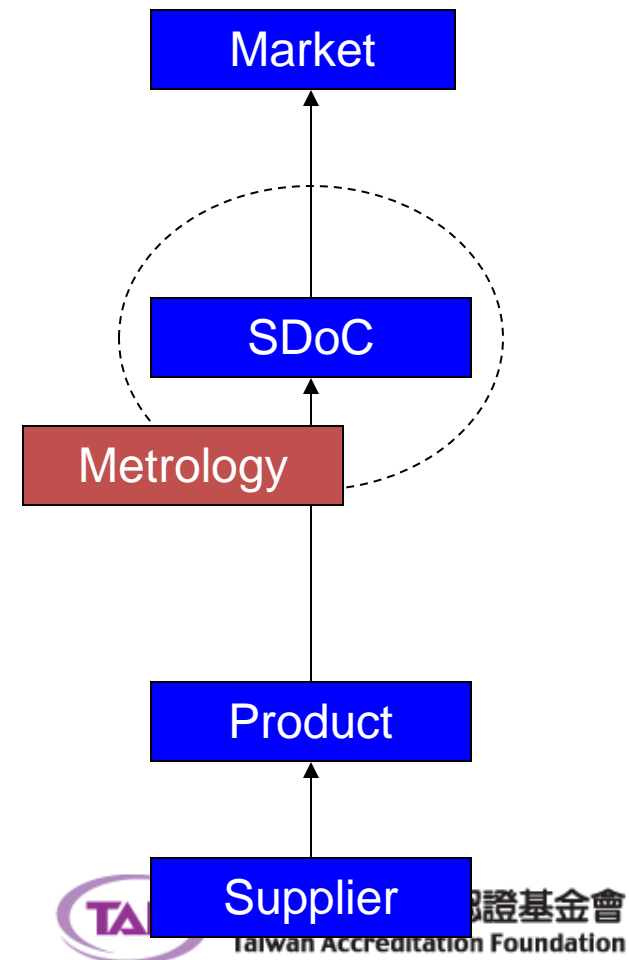
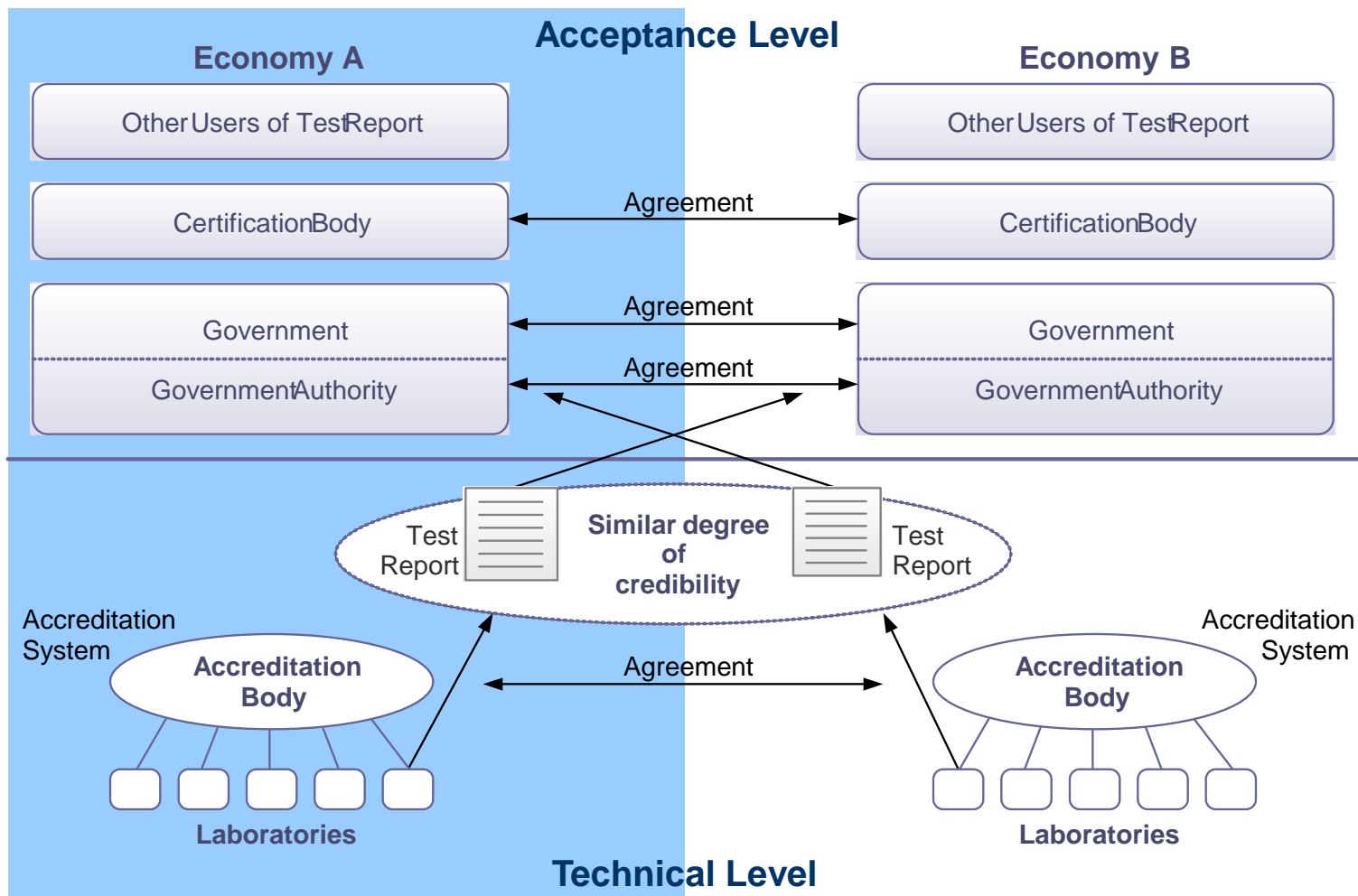




Chart on Types of Agreements





APEC TEL MS Activities

- Market surveillance presented by NBTC, Thailand in TEL 46 meeting, Russia, 2012
- A good Conformity Assessment Ecosystem need supports from RAs, DAs, ABs, CABs, Suppliers and End-users.
- Some of APEC RAs enhance the MS activities.
- To support APEC TEL MRA, APLAC, an alliance of ABs, discussed in BoM → action item
- Inputs from MRATF in the TEL49 meeting
- Survey presented in APLAC GA in June 2014
- Survey period: 21 July 2014 – 20 August 2014



APLAC Member Survey on Report Credibility

To support APEC TEL MRA Task Force





The Survey



|
2014 MEMBER SURVEY ON
REPORT CREDIBILITY

Full Member _____
Economy _____

Dear APLAC Full Member,

Please help us by sharing your experience on handling report credibility issues. In the recent APEC TEL MRA Task Force meetings, questions have been raised regarding the credibility of reports issued by accredited laboratories. This triggers an intention of APLAC to collect information of report credibility and how its Full Members deal with problematic reports issued by their accredited CABs. Thus, I would like to invite all of you to provide opinions to help us understand the situation and how APLAC can be of help.

All your responses will be kept anonymous. The final compilation and analysis of information will be presented in the next meeting of APEC TEL



6 Questions

1. Have you ever been approached regarding **queries** about the credibility of reports issued by your accredited laboratories?
2. What are the **sources** for enquiring report credibility issues? Please give a rough percentage distribution.
3. Approximately **how many** cases of report credibility issue have been brought to your attention?
4. Please categorise, after investigation, the **types of reports** that were queried.
5. What kind of **actions** did you take against incorrect or counterfeit reports?
6. What kind of **assistance** you would like to see APLAC provide in order to improve the situation?





Survey recovery rate

- Total APLAC Full Member: 41
- Surveys returned: 29
- Survey recovery rate: 70.7%
- Effective survey returns:
 - A2LA, AIHA-LAP LLC, AoV, A-S-B, BoA, CALA, CNAS, DMSc, ema, GAC, HKAS, IAJapan, IANZ, IAS, INDECOPI, JAB, JAS-ANZ, KAN, NABL, NATA, NSC-ONAC, PAO, PJLA, QMP-LS, SAC, SCC, Standards Malaysia, TAF, VLAC





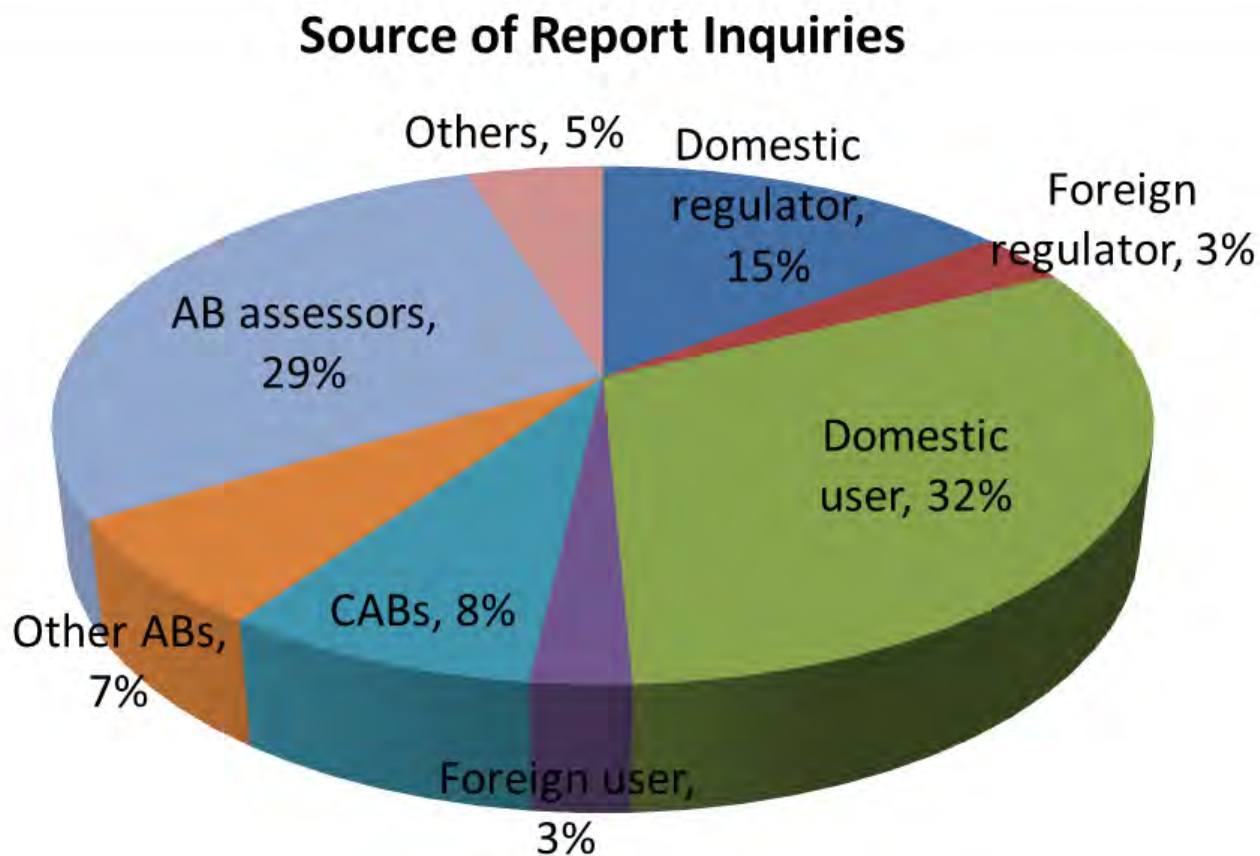
Q1: Queries about the credibility of reports

- Yes: 22/29
 - No: 7/29
- 75.9 % replied that there were queries regarding credibility of reports.

❖ Unless otherwise specified, statistics mentioned hereafter are based on 22 survey results.



APEC Q2: Sources for enquiring report credibility?

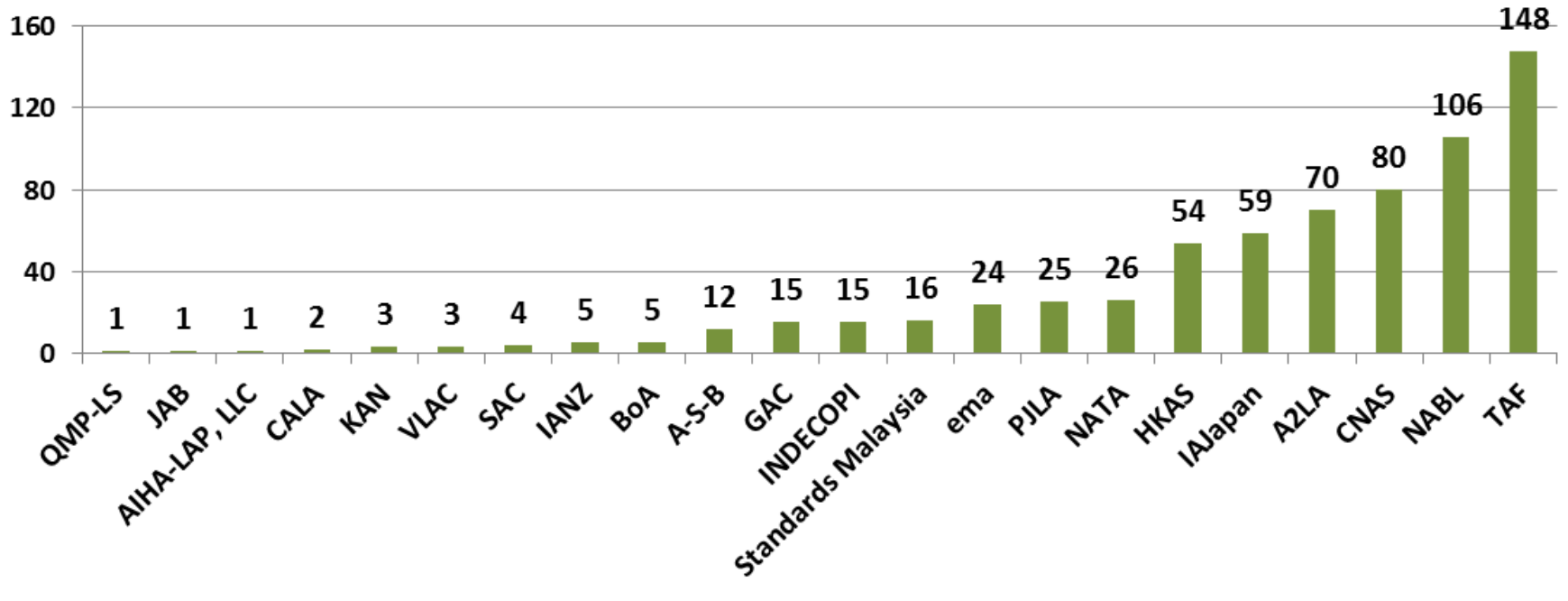


- Mainly from domestic report users and AB themselves

Q3. Total number and field/scope distribution

APEC

Total Number of Reports Investigated



- Total number of reports investigated is **highly variable** among ABs (Total: 675 case from this survey)
- TAF (Taiwan), NABL (India), CNAS (China), A2LA (USA), IAJapan (Japan) and HKAS (Hong Kong, China) are top 6





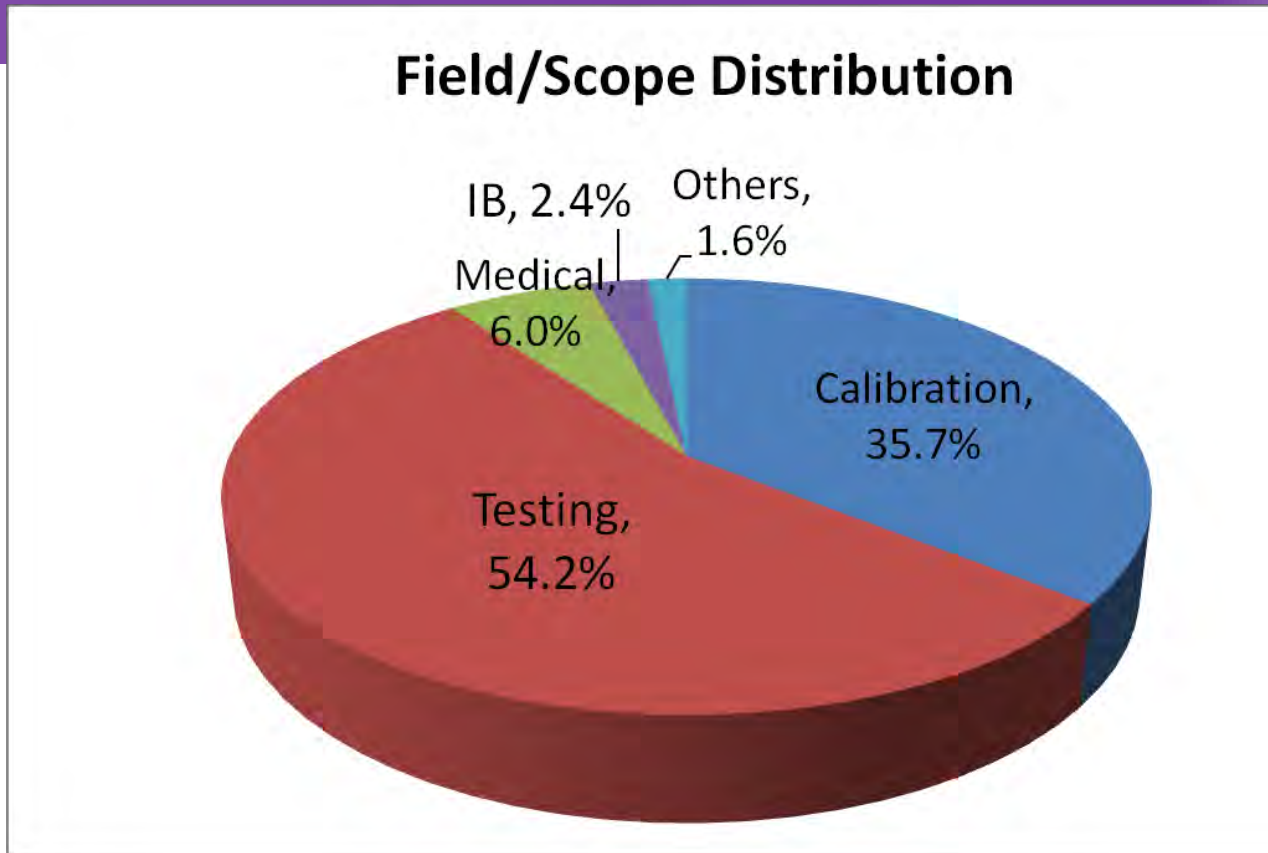
Possible reasons why the total number varied

- Factors inherent to individual AB or economy:
 - AB with relatively short history or limited scope of accreditation
 - Regulator with very different expectation of AB
 - Market consumers being aware of AB (expectation and “brand recognition”)
- Awareness and definition:
 - Concerns on report credibility is an issue to AB. But how to draw the line of obligation? e.g. when report is issued by non-accredited CAB or even unknown unit





Q3. Total number and field/scope distribution

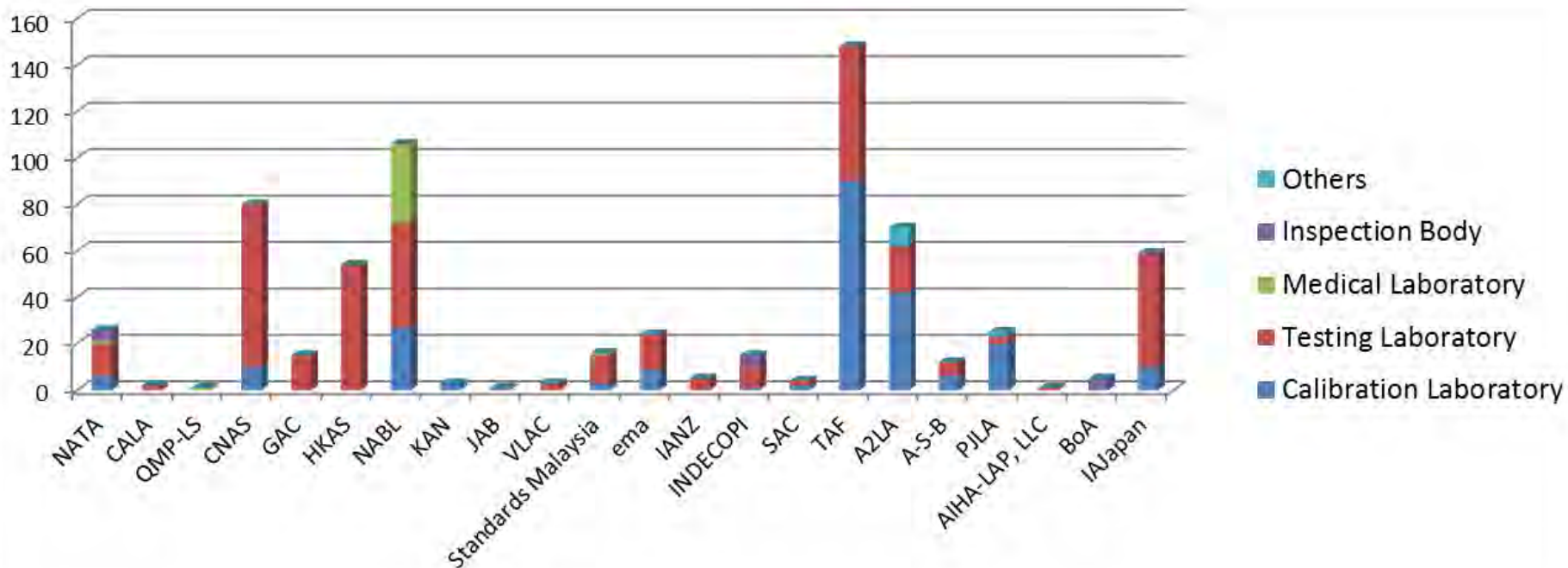


- Mainly in testing and calibration labs





Q3. Total number and field/scope distribution

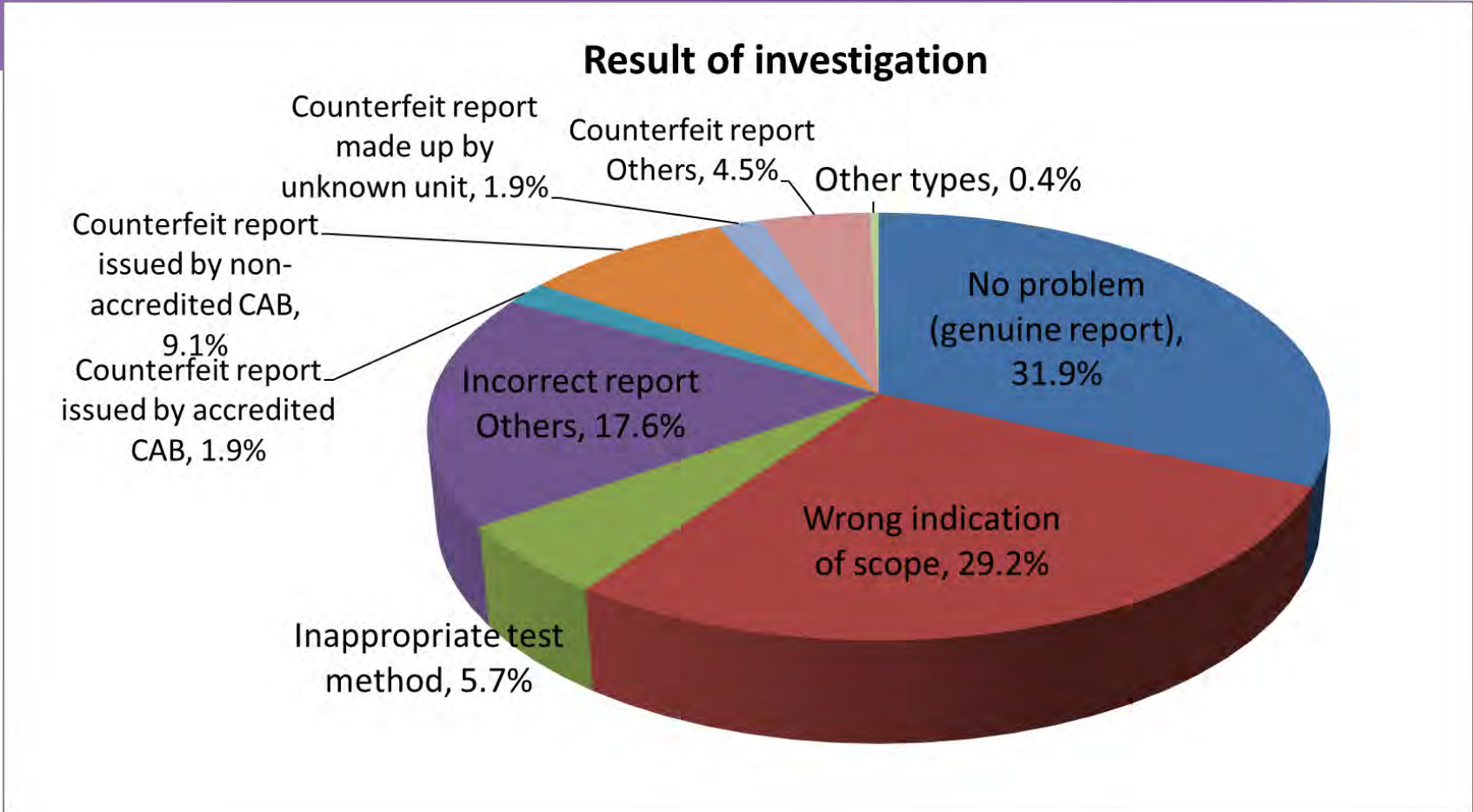


- Mainly in testing and calibration labs: in the case of top 6
- TAF as an example: civil engineering lab program (close relationship with regulator)





Q4. Result of investigation



31.4% genuine report, 50.6% incorrect, 17.7% counterfeit

* Adjusted to percentage in the cases of each AB





Q5. Actions taken against incorrect reports?

- **Incorrect** reports issued by accredited CABs
 - There is contract between CAB and AB, follow established procedures
- Investigation, surveillance visits, implementation of corrective actions
- Warnings such as suspension, withdraw, debarred from applying for accreditation for a defined time period
- Where possible, verify that CAB had taken action to notify customers accordingly to correct the information





Q5. Actions taken against counterfeit reports?

- **Incorrect** reports issued by accredited CABs
 - There is contract between CAB and AB, follow established procedures
- **Counterfeit** reports issued by accredited CABs
 - There is contract between CAB and AB
- **Counterfeit** reports issued by non-accredited CABs or unknown units
 - What can ABs do?





Q5. Actions taken against counterfeit reports?

- **Inform** the enquirer, manufacturers and regulators on the authenticity of the report in concern
- **Contact the non-accredited CAB** and requested that it “cease and desist” from issuing reports that indicate the methods are accredited by our AB
- Lodge **complaints** with and attempted arbitration through the governmental organizations
- Post on our website a **list of “False Claims of Accreditation”** in an effort to inform potential users/recipients of fraudulent reports/certificates
- If the company is claiming to be accredited by **another ILAC AB** we will pass this information on to that AB to take actions
- The CABs whose name/logo/letterhead was used in the counterfeit reports were also **notified**. Those CABs were asked to investigate the cause of the incidents and take appropriate actions to prevent recurrence if possible. Some were also advised to **seek help from local police**
- Approved testing labs are required to include specific **QR code** linked to the website to help users easily verify if it is a counterfeit





6. Possible assistance APLAC may provide?

- 5 members suggested establishing new or revising current document dedicated to this subject
 - Provide an **information paper**
 - For test work which does not meet the local regulatory requirements, APLAC could provide more **guidance** in TC-009
 - APLAC may issue a **policy** for dealing with counterfeit report
 - **Policy** for ensuring credibility of report issued by accredited laboratory
 - Establish **global guidelines** in order to homologate a correct process in case of counterfeit or inappropriate reports





Q6. Possible assistance APLAC may provide?

- 4 members mentioned establishing a database and strengthen education for report user
 - QR codes to be included in the certificates to help users of the certificates easily verify if the report corresponds to the information available in the **central database**
 - In some critical sectors, a **common referencing system** for certificates would be useful
 - **Examples of incorrect and counterfeit reports** should be shown on the APLAC website (identifiable information of AB, laboratories and testing items shall be hidden)
 - APLAC may want to consider **reaching out to the end users of these reports** to ensure they are educated on what they are receiving, how it affects them and what to do when they feel they are getting an inaccurate report (i.e. AB-complaint process).



Q6. Possible assistance APLAC may provide?



- APLAC as an information platform for cross-border fraudulent reports?
 - For claims of accreditation on reports or certificates issued by unknown companies outside of our economy there is not much we can do domestically. It would be helpful if we could present this information to APLAC and ask for their assistance possibly working with a local economy AB to help investigate and stop.
 - Any assistance that could be provided by APLAC or our MRA partners in those economies would be helpful in spreading the word that there are organizations issuing fraudulent documents and, perhaps, in attempting resolution with the organizations themselves.



Q6. Possible assistance APLAC may provide?



- Ultimately, regulator and/or legal system needs to be involved
 - There is not much APLAC can do; it is up to the AB in the economy concerned.
 - As indicated, we do have major problems with counterfeit reports coming out of HKAS and CNAS accredited laboratories in P.R. China. These have primarily been identified in the area of heavy metal testing of children's toys where it is a regulatory requirement. The problem is endemic and will not be solved until the accredited CAB and the ABs can take effective action to solve the problem.
 - All ABs have limitations as to what they can do when a facility is issuing fraudulent reports. In particular if the facility is not accredited by the AB or the report is issued in another economy. Often the ABs need the assistance and **support of the regulator**.





Summary

- First survey
 - perhaps some misunderstanding
 - No register of such kind of cases
- Diverse actions – further harmonisation
- Cooperation between accreditation bodies and regulators
- All Stakeholders can do something to prevent counterfeit reports.





Question

- How does an AB perceive itself in the role of market surveillance?
 - Who's responsibility?
 - Social expectation?





What's next

- Enhance the communications between regulators, users and accreditation bodies
 - measures for dealing with counterfeit reports issued by non-accredited CABs?
- Strengthen the cooperation between regional cooperation/trade organisation and APLAC



THANK YOU FOR YOUR ATTENTION!

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