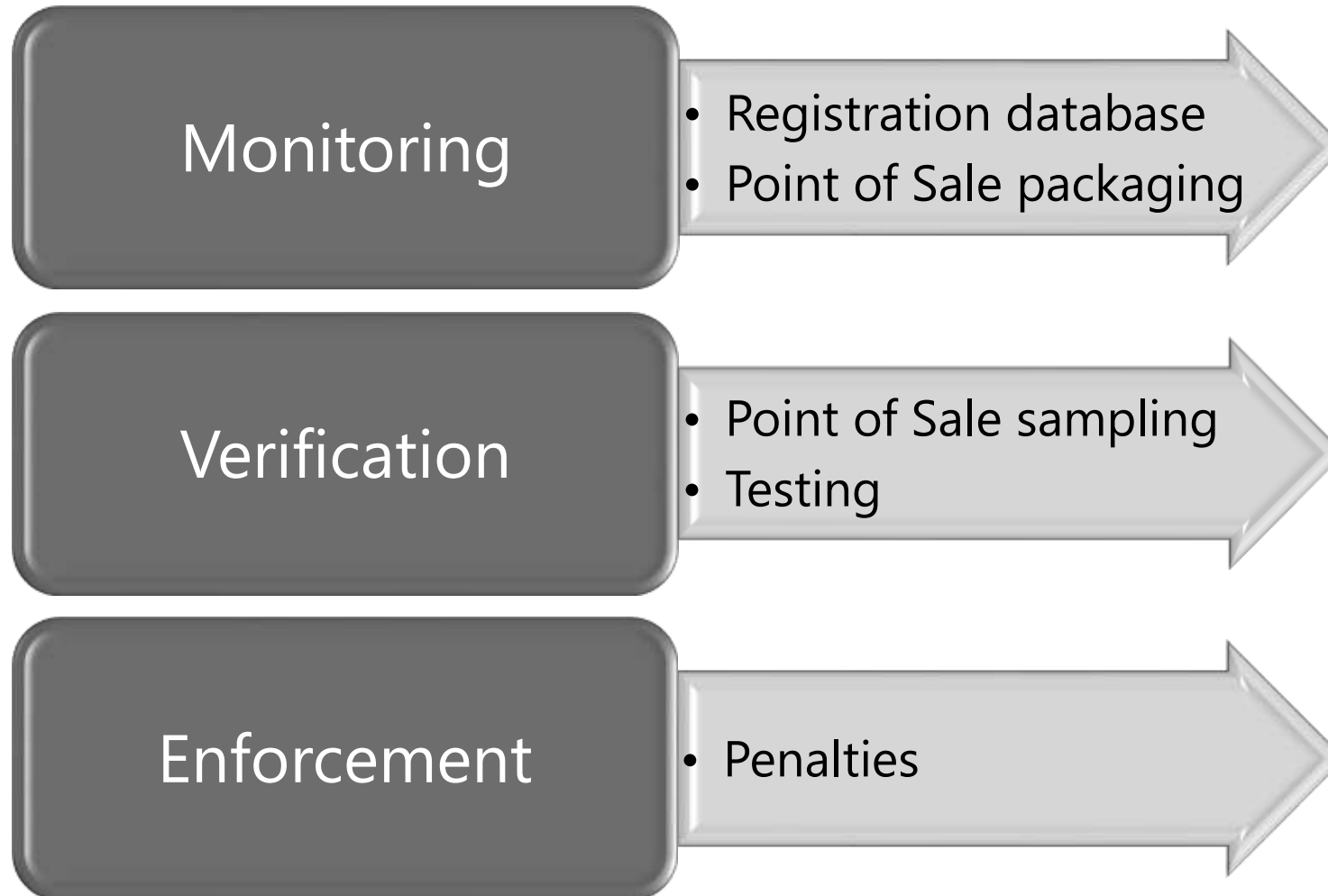




Significance and benefits of Monitoring, Verification & Enforcement (MVE)

Gillian Isoardi
14.06.21

Compliance program requires



Compliance with Energy Efficient Lighting Regulation – Who Benefits

Consumer

- Low cost over lifetime
- Better quality product

Government

- GHG emissions reduction
- Energy security

Industry

- Good lighting design
- Lighting manufacture/supply (level playing field)

Who Complies - Typical situation

It has been said of compliance at the national level that, “20% of the regulated population will automatically comply with any regulation, 5% percent will attempt to evade it, and the remaining 75% will comply as long as they think that the 5 percent will be caught and punished.” (Zaelke, 2005)

at risk if compliance is not enforced

Key elements of compliance regimes

Effective compliance regimes include:

- Mechanism to facilitate compliance
- Market surveillance
- Verification testing
- Enforcement
- Communication, reporting, feedback
- Legal and administrative framework
- Budget and resource allocation
- Evaluation processes

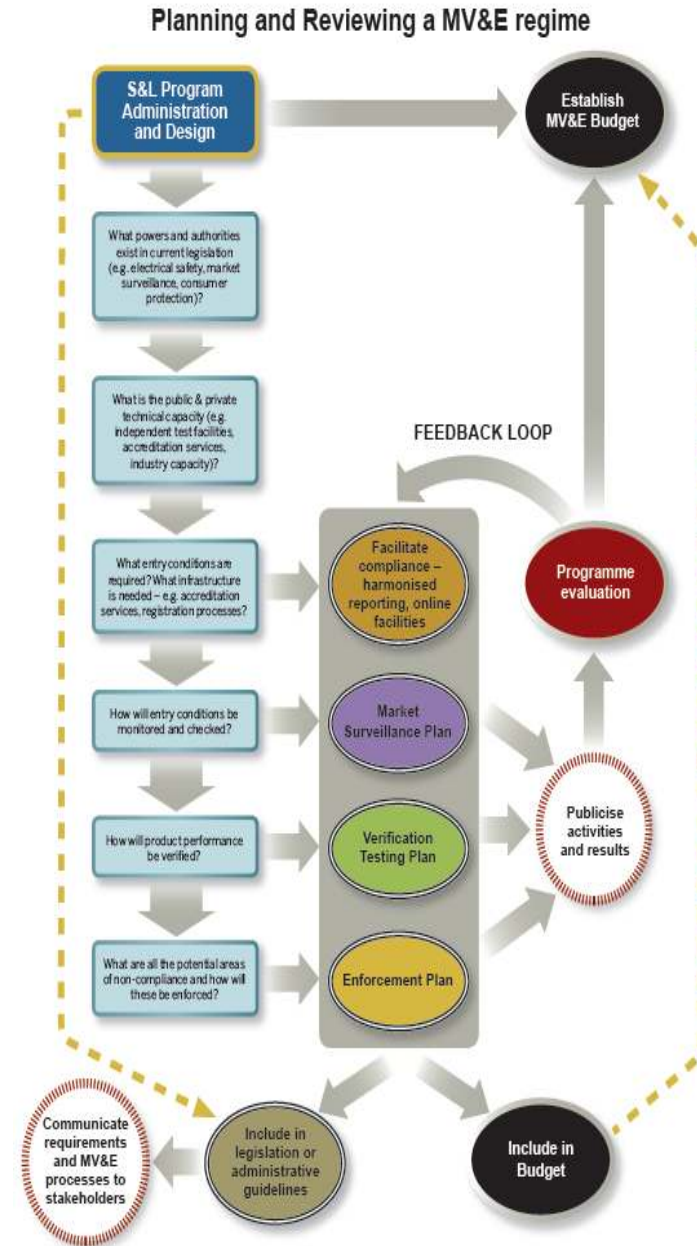
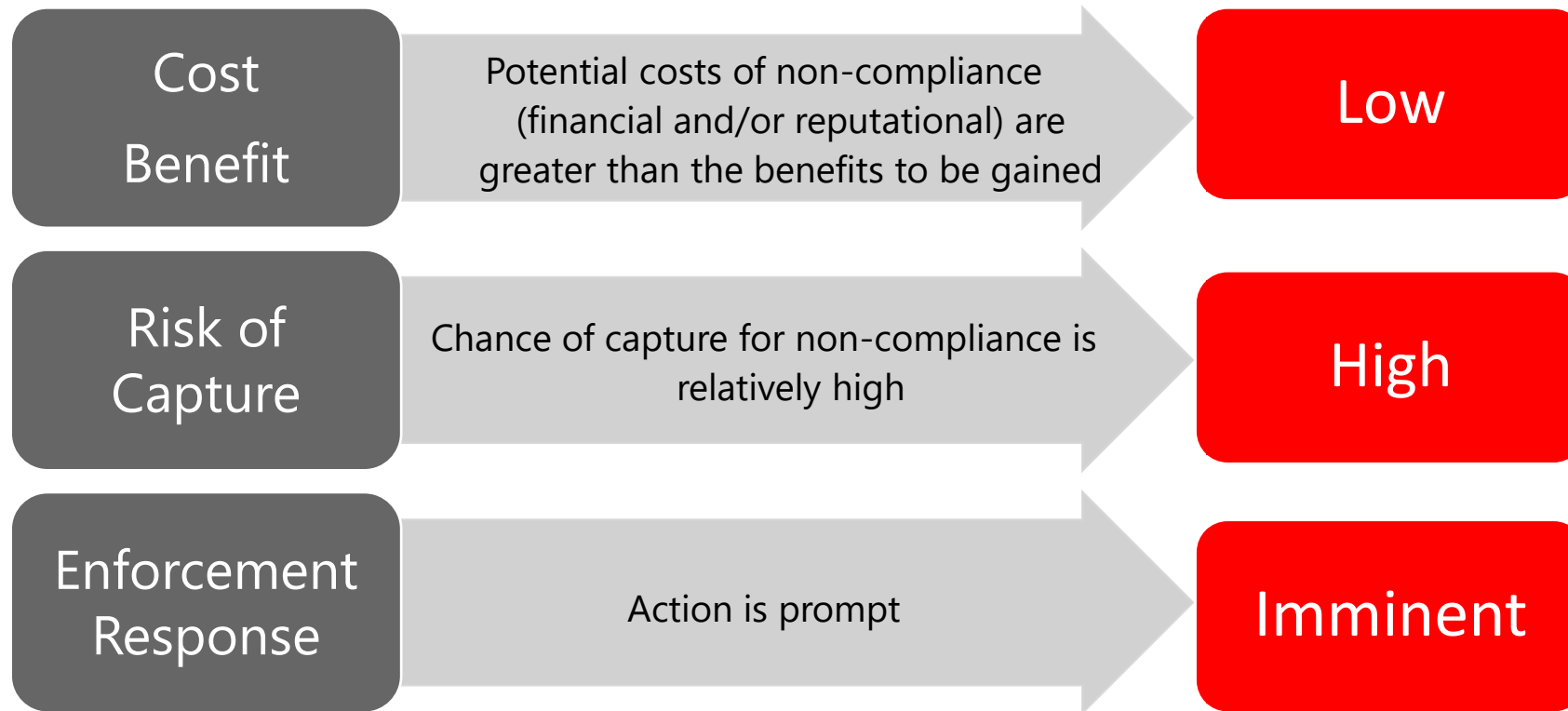


diagram from report
Compliance counts:
A practitioner's
guidebook on best
practice monitoring,
verification and
enforcement for
appliances standards
& labelling
Mark Ellis & Assoc.
CLASP, 2010

Motivation for Compliance

Market participants will be motivated to comply when non-compliance brings



Building a compliance culture

Make it easy to comply

Ensure all stakeholders know their obligations

MVE activities need to be visible to deter others

There must be a credible likelihood of detecting violations

Increase the risk that instances of non-compliance will be discovered

Swift, certain, and appropriate sanctions upon detection

Take corrective action quickly to minimize damage (to all)

Make penalties proportional to the extent of transgression but sufficient to be an effective deterrent

Visibility

<https://www.energyrating.gov.au/news/gems-act-compliance-check-testing-results-released>



Australian Government
Department of Industry,
Innovation and Science

Greenhouse and Energy
Minimum Standards Regulator

GEMS ACT COMPLIANCE: CHECK TESTING RESULTS JULY TO DECEMBER 2014

1. Purpose

This report presents the results of check tests of models of GEMS products finalised between 1 July and 31 December 2014.

4. Check Test Results

Fifty two of the 59 models (88%) met the relevant determination's GEMS level requirements and energy efficiency claims of manufacturers and suppliers at the completion of Stage (1) check testing. Seven models (12%) did not.

GEMS Product	Stage (1) Pass		Stage (1) Fail	
Linear fluorescent lamps	11	92%	1	8%
Televisions	10	91%	1	9%
Household refrigerators/freezers	8	89%	1	11%
Clothes dryers	6	75%	2	25%
Computers	5	100%	0	0%
Dishwashers	5	100%	0	0%
Three phase cage induction motors	4	100%	0	0%
Clothes washing machines	2	67%	1	33%
Air conditioners	1	50%	1	50%
Totals	52	88%	7	12%

5. GEMS Regulator Responses

In relation to the five models that did not meet requirements or claims, the GEMS Regulator responded as follows:

5.1. Cancel registrations

(a) The registrations of the following models were cancelled as a result of registrants failing to respond to GEMS Regulator communications:



MVE is a system

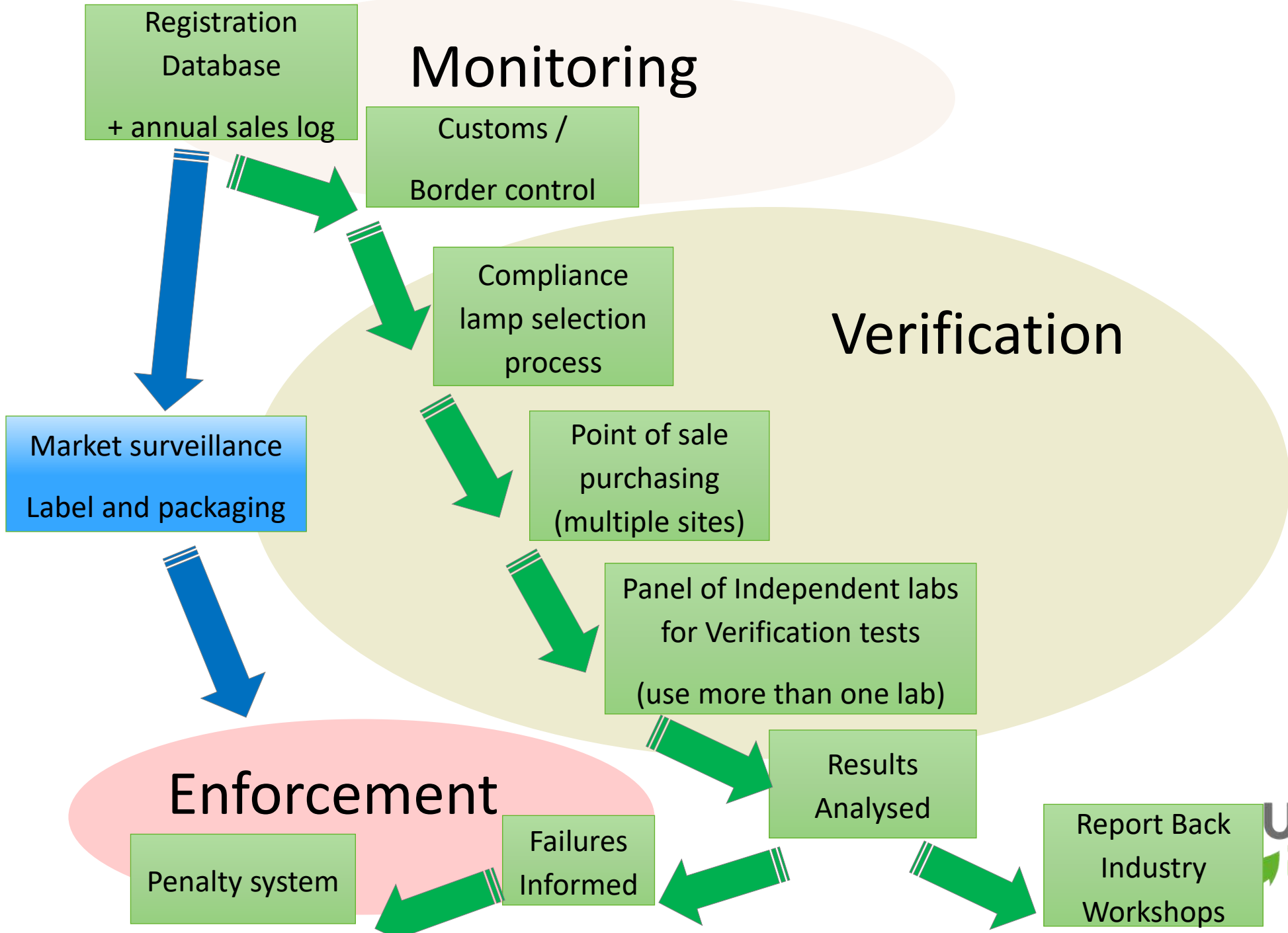
All staff & contractors should know what are the rules and what their role is.

- Avoids ambiguities, time wasting, unresolved issues

Have clear procedures

Have a staff “operations manual” covering:

- Tasks and responsibilities
- Procedures

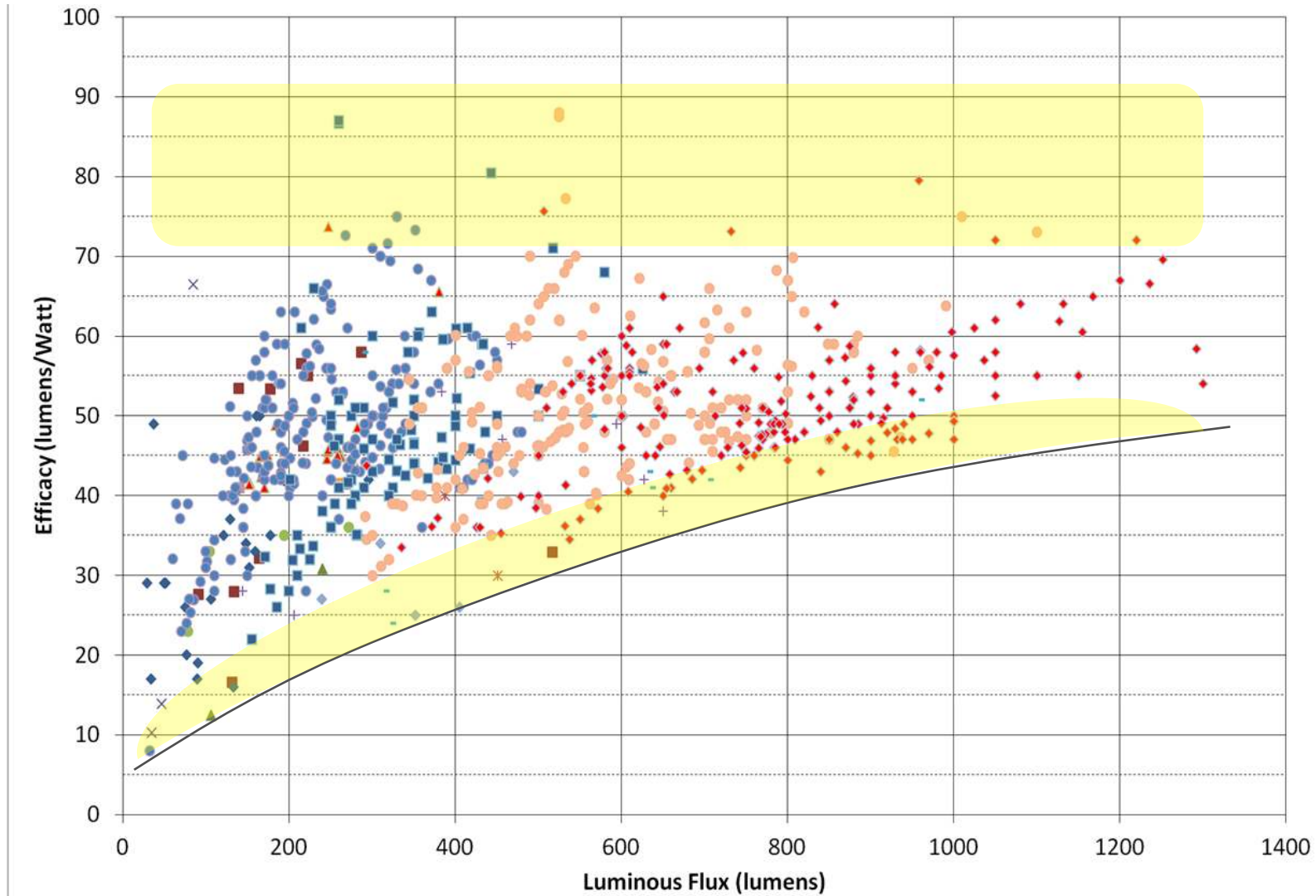


Registration database

A registration database is a valuable tool to help:

- Monitor and track changes in product performance
- Fixed registration period to remove obsolete products no longer on the market
- Record compliance histories
- Share information amongst compliance staff and trading partner nations

Verification: product selection process



- + a % highest claims
 - + b % random
 - + c % borderline
 - + d % new suppliers
 - + e % previous offenders
- = 100%

Enforcement Strategy

An enforcement strategy is a set of responses to incidents of non-compliance depending on the:

- Severity of the non-compliance
- Range of sanctions that are available
- Type of programme (i.e. mandatory or voluntary)
- Quality of evidence supporting the claim of non-compliance
- Responsiveness of party responsible for the non-compliance
- Potential to rectify non-compliance

Enforcement Strategy

- Pose a credible threat, enforcement needs to be seen
- A few well publicised actions have a large impact!
- Make it clear what the range of enforcement options are
- Have a public enforcement policy that explains the ramifications of non-compliance to suppliers and retailers

Enforcement elevation

Strategy should include a range of elevating enforcement responses that can be implemented, as well as initiatives such as:

- Educational initiatives
- Warning letters
- Informal settlements

Figure 8: Enforcement Pyramid (Ayes and Braithwaite, 1992)



Retailers are a critical link in the supply chain

Remove any ambiguities on the role of retailers

Remove any loopholes to enforcement

- e.g. responsibility for faults or incorrect labels

Retailers are the interface with consumers

- They are often easier to deal with than overseas suppliers

Why are retailers important?

Changes in retailer purchasing decisions have immediate impact on suppliers

Retailers have fixed locations – often easier for regulators to reach than overseas suppliers

If retailers are not obliged to display products with labels in place, suppliers can claim they were removed

- Regulators have to trace who is at fault!

How to ensure retailers are included.....



Legislation to cover retailers

“A person must not supply, or offer to supply, a (product category) that does not comply with the MEPS” (includes performance and display of the label)

Unless:

- the product is a second-hand product at the time of the supply or offer; or
- the model of the product is exempt:
- the product is imported into, or manufactured, before these regulations come into force;
- the supply or offer occurs before the end any specified grandfathering period;
- all transitional labelling requirements are complied with

Identifying needs to build MVE Capacity

Delivery of training and knowledge will require different activities

- Face to face
- Web-based
- Documentary

Need to identify knowledge gaps, specific country needs and determine most efficient delivery mechanism based on resources/time available.

Resources: Guides, Training, knowledge delivery

UN Environment has numerous resources available for download

- MVE infrastructure assessment report
- Training curriculum and delivery plan (based on identified gaps)
- Guidelines on Best Practice MVE
- Recorded webinars and training sessions
- MVE policy awareness and capacity building presentations

Questions



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