



# Economic and Social Council

Distr.: General

XX July 2020

Original: English

---

## Economic Commission for Europe

### Steering Committee on Trade Capacity and Standards Working Party on Regulatory Cooperation and Standardization Policies session

#### Thirtieth session

Geneva, 2 November (pm) – 3 November 2020

Item XXX of the provisional agenda

#### Market surveillance

## Report of the Joint Meeting of Experts of the Advisory Group on Market Surveillance (MARS Group) and the Group of Experts on Risk Management in Regulatory Systems (GRM) in Virtual Space

Note by the secretariat

### *Summary*

This document contains the report of the joint meeting of experts of the Advisory Group on Market Surveillance (MARS Group) and the Group of Experts on Risk Management in Regulatory Systems (GRM), which was held virtually via teleconferences from 11 to 12 June 2020. It is hereby submitted for adoption by the Working Party.

### *Proposed decision:*

“The Working Party adopts the report of the joint meeting of MARS and GRM Groups. It requests the Working Party to endorse follow up actions detailed in the document.

The Working Party mandates the secretariat to continue to report on an annual basis on the activities of the MARS and GRM Groups.”

## **I. Introduction**

1. The joint meeting of experts of the Advisory Group on Market Surveillance (MARS Group) and the Group of Experts on Risk Management in Regulatory Systems (GRM) was organized by the Bureau of WP.6, the Bureau of the MARS Group, the GRM Chair and Co-Coordination and the UNECE secretariat, and it was held virtually via a series of teleconferences.
2. The meeting was attended by over 65 experts from 19 UNECE and other United Nations member States. Individual experts also attended in their personal capacity.
3. The agenda, as well as the presentations made at the meeting, are available at <http://www.unece.org/index.php?id=53790>
4. The Director of the UNECE Division on Economic Cooperation and Trade and the Chair of the Working Party opened the meeting, and the secretary of WP.6 informed participants of developments since the Annual Session.

## **II. Session 1: Risk informed policymaking and market surveillance**

5. The presentations by the Chairs of the GRM and MARS groups set the respective mandates of these intergovernmental bodies in relation to the ongoing health and economic crisis. They focussed, respectively, on the centrality of developing risk management solutions based on the most achievable and acceptable levels of risk, and on the importance of coordinating regional and global efforts for risk-informed policymaking and market surveillance. The Vice-Chair of the Working Party shared the national experiences of risk-based approaches and market surveillance in Belarus, which included a combination of measures to protect internal markets from dangerous products at the level of the national government and within the Eurasian Economic Union markets.

## **III. Session 2: Presentations and discussion on the impact of COVID on regulatory activities and market surveillance**

6. The COVID-19 outbreak had led to increased recourse to the number and diversity of products and equipment subject to mandatory third-party conformity assessment. Testing, inspection and certification were increasingly recognized as important tools to ensure compliance of medical devices and personal protective equipment with relevant regulations. In the longer term, this could have positive consequences as it would reduce unintentional non-compliance and make intentional non-compliance easier to identify.
7. The representative of the Testing, Inspection and Certification (TIC) Council informed the group that during the COVID-19 outbreak, and as economies would re-open, the industry was stepping up cooperation with authorities, including by taking legal action, and had supported business continuity for essential products and services i.e. by confirming the implementation of safety protocols.

8. The Legal Adviser of the National Board of Trade of Sweden presented a study showing that mandatory origin labelling facilitated consumers' informed decision-making. It could also make it increasingly difficult for companies to sell their products in different member States. The representative of the Ministry of Trade, General Directorate of Product Safety and Inspection of Turkey highlighted their country's measures in response to the pandemic, which included preventative steps and the prioritization of medical equipment in inspection processes.

9. The Question and Answer session focused on remote certification practices, the definition of risk, the impact of testing on risk reduction, measures for risky goods, and consequences for non-compliance.

#### **IV. Session 3: Demonstration of the impact of COVID on Supply Chains**

10. A risk specialist made a live demonstration of an Asian Development Bank (ADB) database showing the impact of COVID-19 on international supply chains. The platform used data visualizations and artificial intelligence algorithms to fill data gaps and to support informed government-decision-making. The speaker highlighted the importance of timely and abundant information in mitigating anomalies in data trends.

#### **V. Session 4: GRM discussion on deliverables for the WP.6 annual session**

11. A representative of the private sector reported about the work of the GRM in response to the outbreak. The group had been working on how to increase awareness about the importance of including crisis management provisions as part of good regulatory practice and to ensure that authorities could respond to serious unavoidable risks.

12. The Group concluded that the UNECE's Recommendation P that had been approved by WP.6 in 2011, retained its relevance. The Group had prepared draft changes to Recommendation P – in light of the lessons learned from the current health emergency and previous crisis - that would be presented for discussion and adoption at the 30<sup>th</sup> session of WP.6 in November 2020. Before proceeding further, the group had decided to conduct an international survey, which would be launched in July 2020. The conclusions from the survey would contribute to the revision of the Recommendation P.

13. The Chairman of the Mirror Technical Committee of ISO 31000 from Turkey discussed Recommendation P as a crisis management mechanism within a regulatory framework. He highlighted the scope of the aforementioned survey, which would support data-informed decision-making and attempt to address 'known unknowns'.

14. The co-coordinator of GRM recalled that Recommendation V, which addresses product non-compliance risk in international trade, had been presented for adoption at the 29<sup>th</sup> session of WP.6 in 2019. WP.6 had agreed to the overall approach and had asked the GRM to refine this deliverable for a second reading at the 2020 session.

15. The speaker reaffirmed the importance of an integrated approach to risk management, which brought together competent authorities, compliance rules, and different facets of the inspection process.

16. The second co-coordinator of the GRM Group showcased how Recommendation R and P had been implemented successfully in several countries worldwide. He highlighted the risk treatment strategies that supervisory bodies could adopt, and encouraged online training on risk management for regulators, based on Recommendation R, which applies the ISO 31000 standard to regulatory systems.

## **VI. Session 5: Recent developments in market surveillance**

17. The Senior Policy Officer of the European Commission provided an overview of the implementation of the European Commission Regulation (EU) 2019/1020 on market surveillance for non-food products. The core objectives of the new regulation were to address the issue of non-compliant products on the EU markets by strengthening cooperation and effectiveness and modernising the framework to cover new supply chains and on-line sales.

18. The Deputy Director, Department for Technical Regulation and Accreditation, Eurasian Economic Commission presented the Commission's activities in post-market controls (market surveillance). The speaker outlined principles and approaches of state control (surveillance), aimed at harmonizing legislation among the Eurasian Economic Union Member States.

## **VII. Session 6: Deliverables by the MARS Group to the WP.6 annual session**

19. The session discussed progress made by the MARS group on deliverables planned for the WP session in 2020. The co-coordinator of the GRM informed participants of work to finalize the "Guide on Risk Management for border regulatory agencies". The Guide would be issued as a joint publication of UNECE and the International Trade Centre (ITC). He discussed the role of product regulators and the need for regulatory integration in customs risks and product non-compliance.

20. An update on progress made on the revision of the Market Surveillance glossary revision was provided by the project leader and the MARS Chair. They highlighted the glossary's objective to provide common definitions and terminology in market surveillance for non-food products, especially in light of the emergence of e-trade and digital markets.

21. A Project Coordinator of the Physikalisch-Technische Bundesanstalt (PTB) from Germany gave an overview of two ongoing technical cooperation projects in support of market surveillance authorities in the UNECE region, targeting at the countries of the Eastern Partnership (Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine) and of Southeast Europe (Albania, Bosnia and Herzegovina, Kosovo, Montenegro, North Macedonia, Serbia). Both projects were financed by the German Ministry for Economic Cooperation and Development (BMZ).

## VIII. Planning for the 30th UNECE WP.6 annual session (2 - 3 November 2020, Geneva, Switzerland)

22. The secretary of WP.6 shared common hope for an in-person meeting on the 2<sup>nd</sup> and 3<sup>rd</sup> November at the Palais des Nations, Geneva. Although the meeting would be shorter than in previous years, it would discuss changes to the WP.6 Terms of Reference (ToRs) that had been proposed following the independent evaluation of the Working Party. She presented a first draft of the proposed ToRs.

## IX. Conclusions

23. Acknowledging the non-binding nature of the following points given the virtual nature of the meeting, the Chair of the MARS Group summarized the conclusions of the meeting and presented the action items as follows:

- (a) GRM/MARS group member States called upon the UNECE secretariat to step up the collection of facts, sharing of experiences and development of best practises as inputs for the revision of Recommendation P to respond better to emerging risks, such as pandemics;
- (b) As an immediate follow-up to the meeting, the ECE secretariat would launch a survey to document how authorities had used and were using risk management and emergency management resources in the context of the pandemic;
- (c) Member States were invited to present how their standards-related activities contributed to the containment of the COVID emergency at the meeting of the UNECE Working Party on Regulatory Cooperation and Standardization Policies (WP.6), scheduled for 1-2 November 2020 in Geneva, Switzerland;
- (d) An informal online consultation of members of the GRM and MARS groups could be organized in September/October to consult on deliverables for the Annual Session and identify opportunities for further collaboration. Reduced latency in data would be an item of discussion. Experts from OECD Regulatory Policy Committee could be invited as observers;
- (e) Member States would have the opportunity to comment on GRM deliverables, observing a deadline in mid-July to allow time for timely submission;
- (f) Cooperation between MARS and GRM could be enhanced by:
  - Inviting market surveillance experts and customs administrations to the GRM meetings to share their expertise on risk-based market surveillance,
  - Progress work on the Glossary of Market Surveillance Terms,
  - Discuss and share information about relevant challenges for market surveillance authorities where risk-based expertise is essential (i.e. transposition, e-commerce);
- (g) The revised Market Surveillance Glossary should be published electronically;
- (h) Best practice for cooperation between MSAs and customs should be further discussed;
- (i) Recommendation M relating to the use of market surveillance infrastructure as a counterfeit and piracy mechanism should be updated;

- (j) The contact database and document on “Network of regional networks should be updated;” and
  - (k) Cooperation with educational institutions and with the WP.6 START-Ed Group and GRM Group should be further developed.
-