

Monitoring, Verification, and Enforcement

Most countries deploy minimum energy performance standards (MEPS) and/or energy labelling to cost effectively manage the energy consumption of products. However, failure to monitor, verify and enforce these standards and labels has the potential to fatally undermine their effectiveness in delivering cost reductions to consumers, fair competition for industry and increased national energy security.

Evidence gathered by the International Energy Agency has identified five critical factors that guide policy makers towards protecting the integrity of standards and labelling programmes and delivering the expected stakeholder benefits.

Policy pathway to protecting standards and labelling programmes through effective monitoring, verification and enforcement:

- ▶ Where possible, design the key aspects of the monitoring, verification and enforcement process as part of the initial development of the standards and labelling programme. Include the legal, administrative, budget and staffing requirements.
 - ▶ Maintain sustained communication with stakeholders about their obligations and any potential sanctions they may incur for non-compliance.
 - ▶ Market monitoring and verification testing should focus on those products at greatest risk of non-compliance. Early communication of the results of monitoring and verification allows suppliers to take corrective action and remove non-compliant products from the market.
 - ▶ Enforcement procedures should be fair and transparent, and include a range of sanctions proportional to the level of transgression.
 - ▶ Public disclosure of compliance activities and enforcement action reduces the risks of non-compliant products being supplied to the market.
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The full Policy Pathway offers guidance on how to implement effective monitoring, verification and enforcement processes and case studies from around the world. The report can be downloaded from www.iea.com

Checklist to Establish Effective Monitoring, Verification, and Enforcement

PLAN: Integrate robust monitoring, verification and enforcement activities into the original standards and labelling framework. Involve experts from all stakeholder groups to ensure the practicality of plans.

- 1 Develop the legal and administrative framework and share plans for information capture and disclosure.
- 2 Secure sufficient resources through registration fees, collaborative activities or from centrally allocated budgets.
- 3 Ask stakeholder to identify weaknesses in plans and seek mutually acceptable solutions that meet policy objectives.

IMPLEMENT: Move from concept to reality through clear and effective communication. Focus on informing and educating stakeholders about their responsibilities and the benefits they will experience.

- 4 Establish and disseminate transparent procedures for product sampling, monitoring, verification testing, and sanctions.
- 5 Educate stakeholders in scheme benefits and individual responsibilities. Provide training and other support where necessary.

MONITOR: Undertake system-wide measurement to provide a quantitative assessment of changes in levels of compliance and the success of the programme.

- 6 Prioritise data collection, product testing and associated analysis to provide input to key metrics.
- 7 Assess compliance levels by focusing on areas with highest risks (largest sales, most complaints, previous violations, etc.)

EVALUATE: Continually evaluate the process to ensure measurements remain relevant to the programme goals. Communicate outcomes to stakeholders and modify the programme where necessary.

- 8 Share results on product performance and levels of compliance, highlighting where improvements are necessary.
- 9 Respond to non-compliance in proportion to the scale of the violation and the resulting impact on the market and stakeholders.
- 10 Continually evaluate to establish levels of success and whether market evolution requires an adjustment of policy.