
Entrenamiento en Conformidad e Interoperabilidad para la Región Americas

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Vigilancia de Mercado y Fiscalización

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Agenda (Proposed division)

- Introduction and concepts (Rodrigo)
- Global, Regional and National Perspectives (Vladimir)
- Enforcement (Julio)
 - A case study

Market Surveillance

- Introduction and concepts

Market Surveillance

Purpose

- To ensure the ICT products placed on the market comply with all the requirements set out in the relevant legislation and regulations
- To ensure that ICT products placed on the market do not cause electromagnetic interference, harm the public telecommunications network, and endanger health, safety, environment or any other aspect of protection of public interests
- To take necessary action (e.g. prohibitions, withdrawals, recalls) to stop the circulation of products that do not comply with all the requirements set out in the relevant legislation and regulations, to bring the products into compliance and to apply sanctions.

Market Surveillance

- A definition:

Market surveillance consists of the "activities carried out and measures taken by designated authorities to ensure that products comply with the requirements set out in the relevant legislation and do not endanger health, safety or any other aspect of public interest protection"

*Adapted from: [Market Surveillance Regulation European Commission n. 765/2008, art 2](#)

Market Surveillance

Key Stakeholders

- Regulators
- Accreditation Bodies (ABs)
- Certification Bodies (CBs)
- Manufacturers, importers, vendors and service providers
- Users

Market Surveillance

Activities

- Audit
- consultations on Market Surveillance Intelligence and Experience
- Importing monitoring

Market Surveillance

Audits

- Regulators, CBs and manufacturers conduct audits according to the regulators' requirements
- Audits can be random or targeted based on complaints or past surveillance results
- Audit samples may be obtained from:
 - the manufacturer
 - the domestic representative of a manufacturer or supplier
 - the importer or distributor
 - the marketplace

Market Surveillance

Consultations on Market Surveillance Intelligence and Experience

- Sharing of information and consulting with other countries which have a market surveillance and enforcement program in place.
- Countries within the same region, sharing a common language and perhaps common spectrum management and frequency assignments for services
- Heads-up notice, or advance warning from collaborative partners on compliance problems with technologies and products which may have early deployment in a particular country or region.

Market Surveillance

Consultations on Market Surveillance Intelligence and Experience (cont'd)

- Alert the collaborative partners to the potential for non-compliance of such products or technologies when they are deployed more broadly and therefore can be targeted for inspection and audit.
- The Administrative Cooperation Group on R&TTE (ADCO) is example of collaborative group in the European Community
- ADCO has MoU with the Federal Communication Commission (USA) and Industry Canada (Canada)

Market Surveillance

Import Monitoring

- Regulators need to have a method to track the equipment imported into their territories.
- **“HS Code”** is a standardized numerical method of classifying traded products developed and maintained by the World Customs Organization. but are free to adopt additional subcategories and notes
 - To ensure harmonization, the contracting parties must employ at least 4- and 6-digit provisions, international rules and notes, but are free to adopt additional subcategories and notes.

Market Surveillance

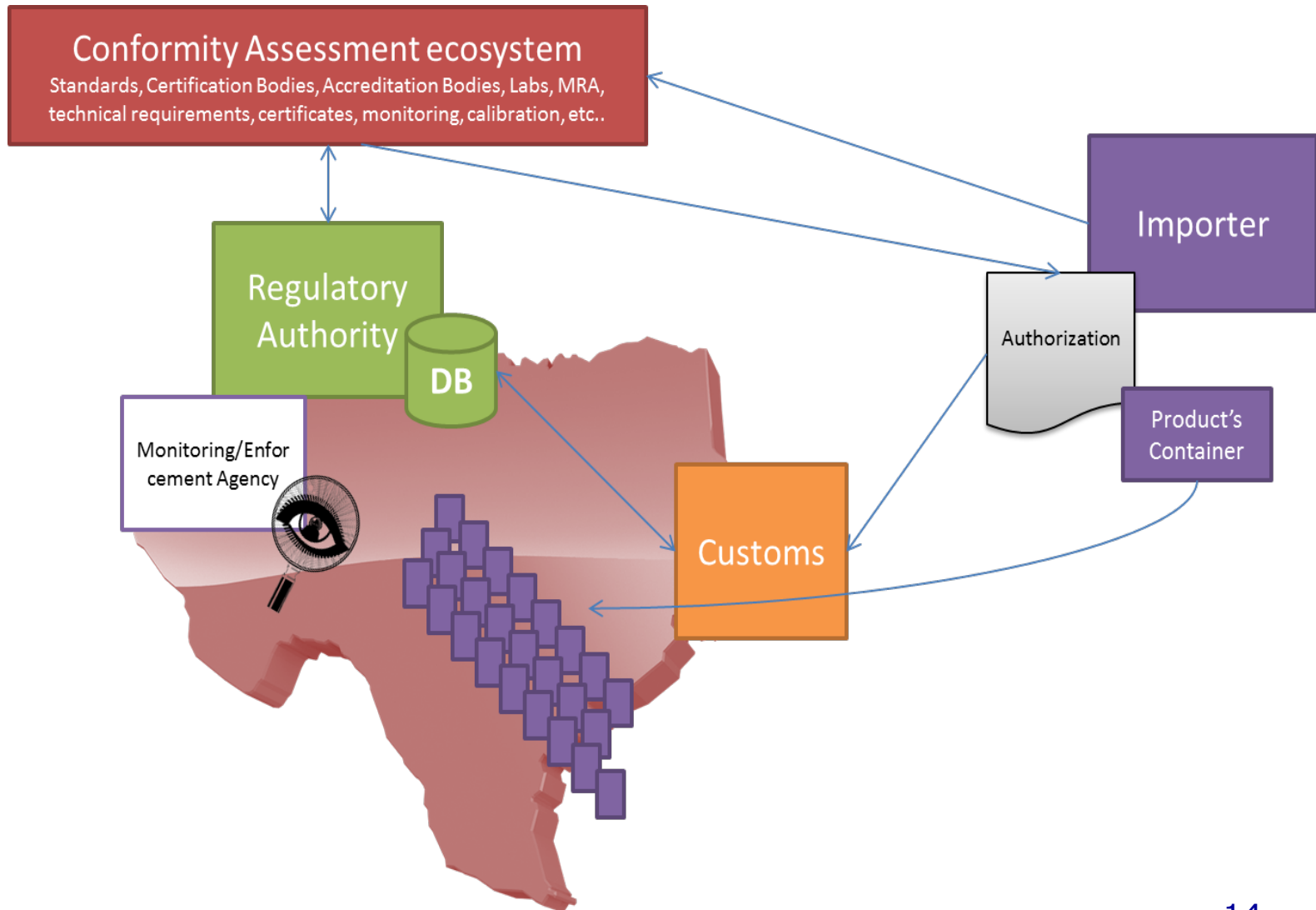
Import Monitoring

- A regulator through the appropriate department in its territory can assign the HS Code to the ICT equipment and through its customs department can monitor the ICT equipment which is imported into its territory.
- HS Codes can be used by the regulator to stop the equipment from entering its territory if the equipment is determined to be non-compliant

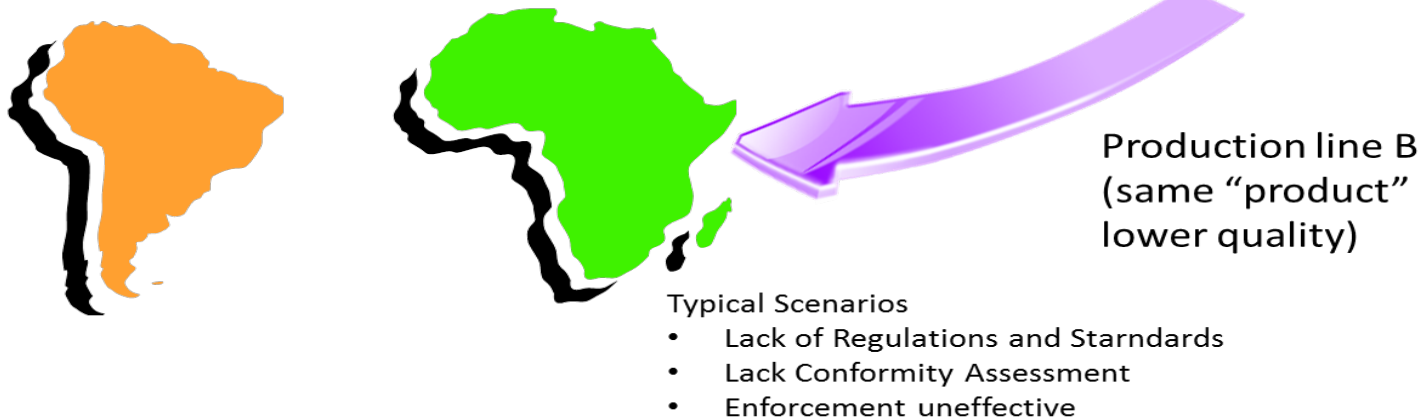
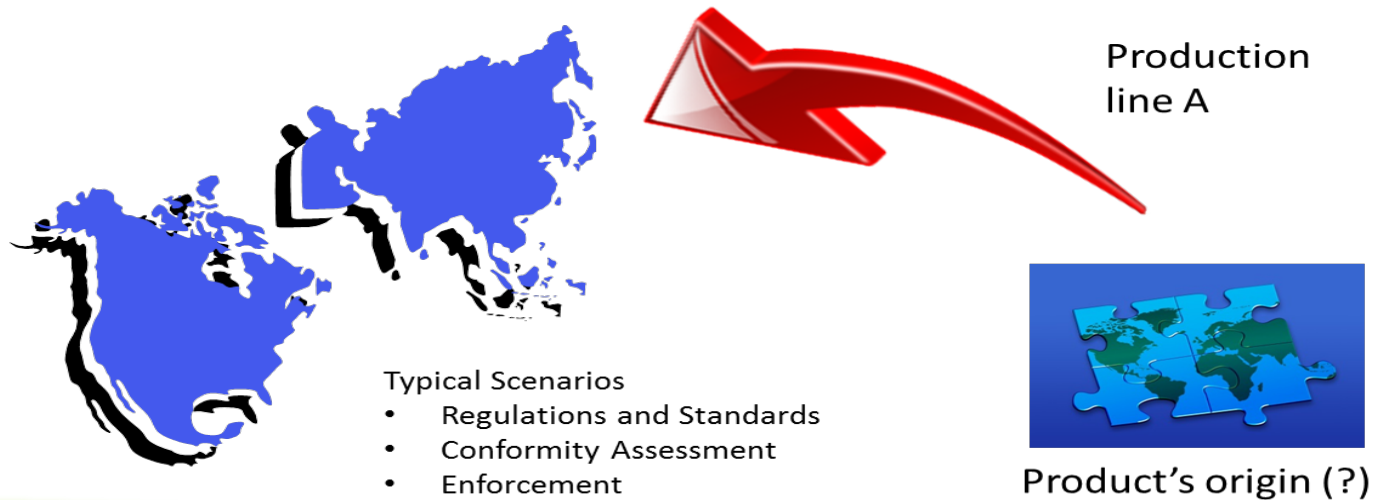
Enforcement

- **Revocation of certification, registration**
- **Recall**
- **Monetary penalties**
- **Seize**
- **Border control**

Blocking the entrance of Counterfeit Devices



Phenomenom of Tropicalização



CA Policy Importance

- Radiofrequency Interference -> service disturbance -> market instability
- Safety
- Minimum Quality requirements oblivion

- Global, Regional and National Perspectives

Multi Layer Initiatives: a working case

- **International– ITU Actions:**
 - PP14 Resolution on Counterfeit and on C&I.
 - ITU-T SG11 (Q8/11) [Technical Report](#).
 - ITU-D interaction with ITU-T to implement the necessary actions on developing countries.
- **Cooperation with other organizations.**
- **Regional:** CITEC CCPI Correspondence Group on Counterfeit terminals discussions.
- **National:** e.g. Brazil SIGA and Custom Integration.

What we should look for

- **Multi Level Actions and Cooperation.**
 - Bilateral and Regional cooperation.
 - International best-practices and recommendations.
- **Reduce End-user impact (Good Faith user)**
 - Good user communication is crucial.
 - Weave for legacy terminal (turnover).
- **National multiple actions to combat Counterfeit**
 - Structured CA Policy and Custom Integration.
 - Solution to Remove Counterfeit from the network.
- **Reliable reference databases to our solutions**
 - Secure unique identifier (IMEI) – PP14 Res. Counterfeit

Regional Approach

Examples of joint measures on regional level

Inter-American Telecommunication Commission (CITEL)

- CITEL PCC.I recommended in 2009 member states to “consider creating databases as part of an overall anti-counterfeit and fraud program”.
- In May 2014, the group approved [Resolution 222](#) (XXIV-14) - “strengthening regional measures to combat the spread of counterfeit, substandard and unapproved mobile devices”
- Res. 222 created a correspondence group to:
 - develop definitions;
 - evaluate the scope and nature of the problems detected;
 - recommend technical and regulatory solutions;
 - document best practices from around the world;
 - and to promote the sharing of information and the exchange of experiences among Member States and associate members of CITEL

Regional Approach

Association of the Communications and Telecommunications Regulators of the Community of Portuguese Speaking Countries (ARCTEL-CPLP)

- At the ITU GSR 2012 proposed actions at the regional level consisting of:
 - Sharing of IMEI blacklist databases through bilateral or multilateral agreements
 - Establishment of regulatory fiscal + customs mechanisms to ensure greater on borders
 - Industry compliance with recommendations preventing IMEI changing or duplication
 - Campaigns to raise public awareness of the importance of reporting the theft and loss of mobile terminal devices.

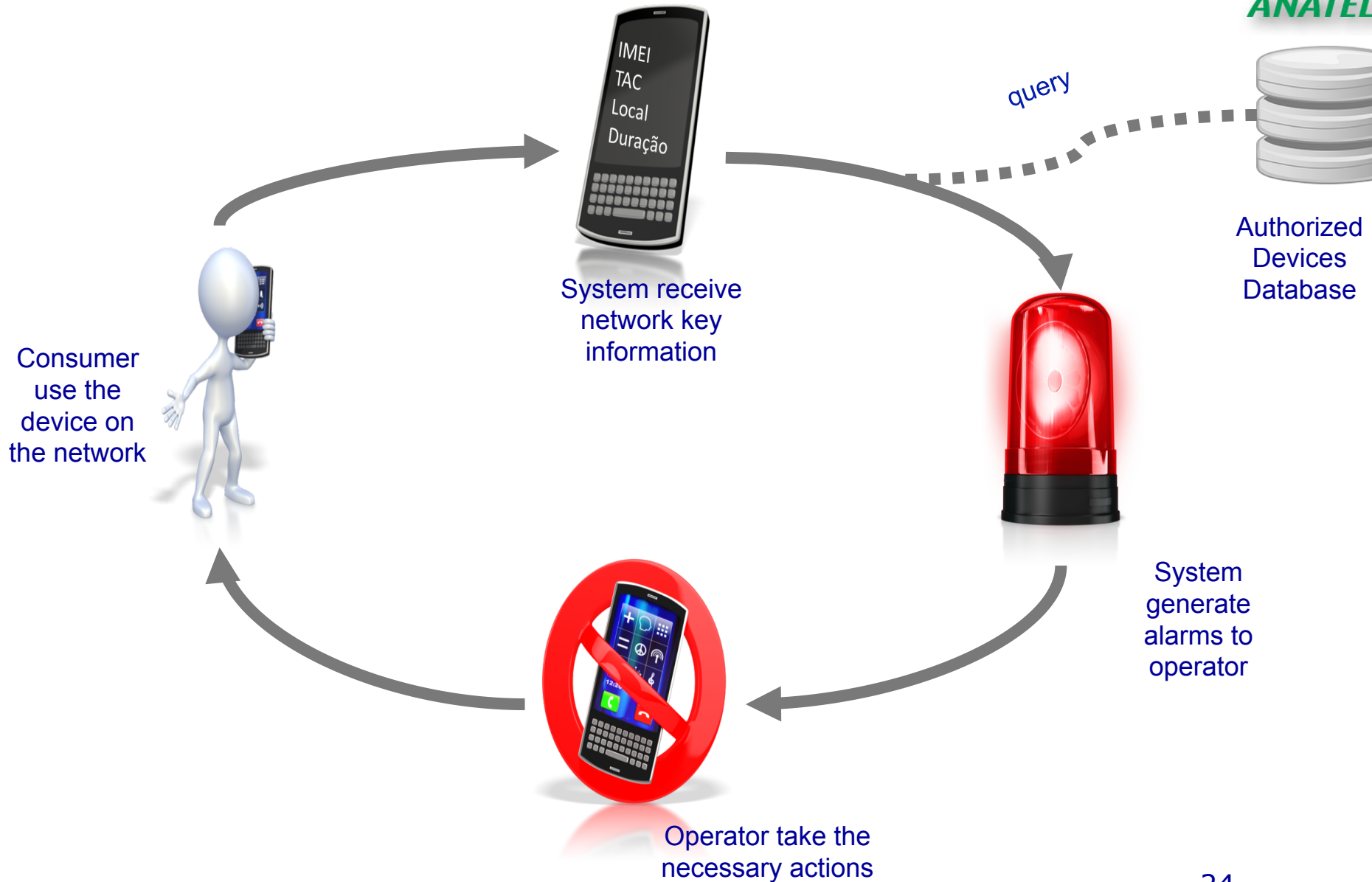
A National Perspective

- An example form the Mobile market

SIGA Premises

- **Centralized solution:** built jointly and integrated to all Brazilian mobile operators;
- **Automated solution:** allowing the input of information with low human intervention;
- **Scalable, Dynamic and Flexible:** expandable system, rules adjusted over time;
- **Multiple sources of info:** CDRs (call data record), operators systems, international databases;
- **Reliable and secure:** Minimize impacts on regular end users;

SIGA Workflow



Challenges Faced on SIGA

- **Identification and definition** of actions for for each scenario.
- Reduce **end-user impact**.
- Construct a **reliable reference database**.
- Define **Legacy** Terminal actions.
- Actions effective only on terminal already on the network.
 - How to **control the entrance of Counterfeit?**

- Enforcement

Enforcement

- One can notice eventual non-compliance of products in the market has been improved day-by-day, and it may be necessary to change the applicable Regulation, because the status quo may not be sufficient.
- There are lots of different ways to break the law, such as:
 - No approval – without label;
 - No approval - with fake label;
 - No approval - with other's label;
 - Approval - with sample, but not in accordance with the requirements.
- **Even and odds**
 - Short term – enforcing rules; working force increase; consequently more products arrested in the market.
 - Long term - less working force acting in the field; more working force on the post market surveillance - intelligence work.

Enforcement activities

Objectives

To Identify and combat defining preventive actions to protect the market;

To favor fair competition between all equipment manufactures;

Protect the internal market and the end-user;

Ways

1) Pre-Market Surveillance

(Type Approval):

- to grant access to market by compliance demonstration;

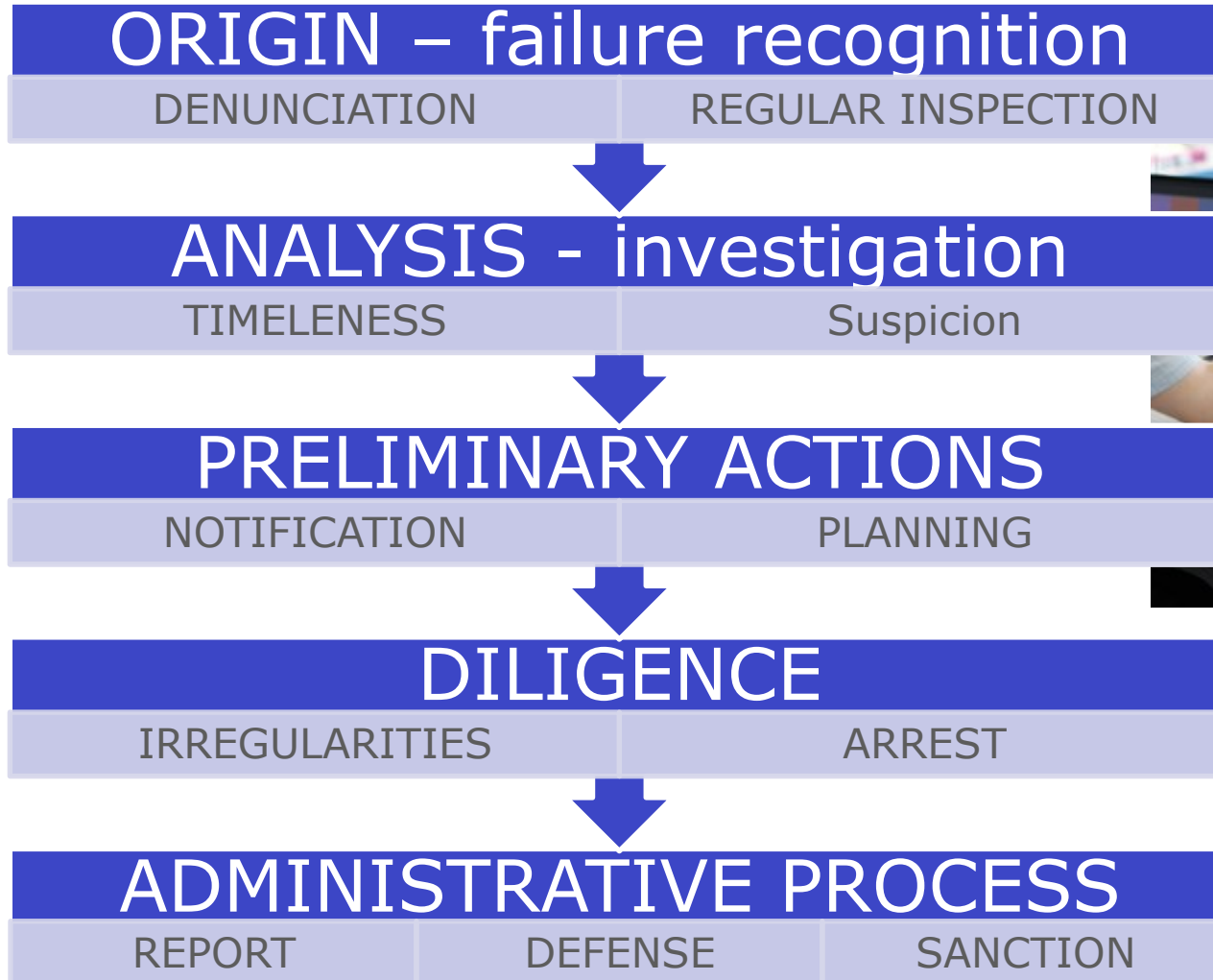
2) ex-post Market Surveillance:

- demanded;

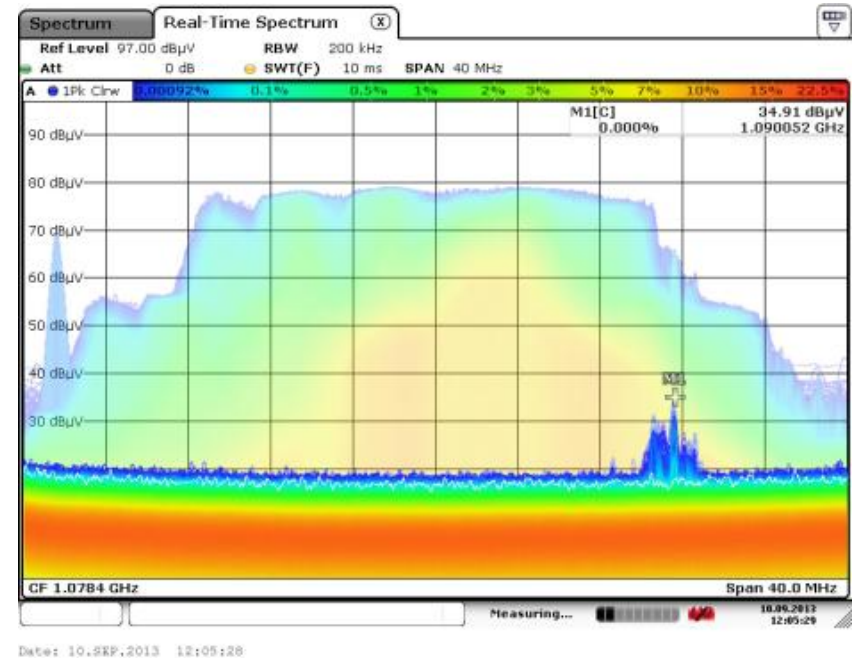
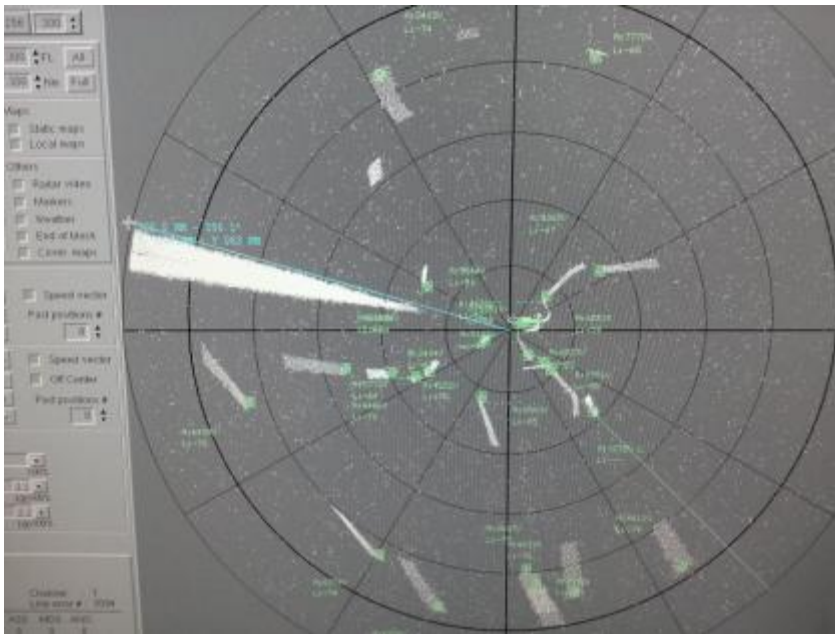
- Continuous validation the equipment follows up-to-date regulations/standards;



ENFORCEMENT typical workflow



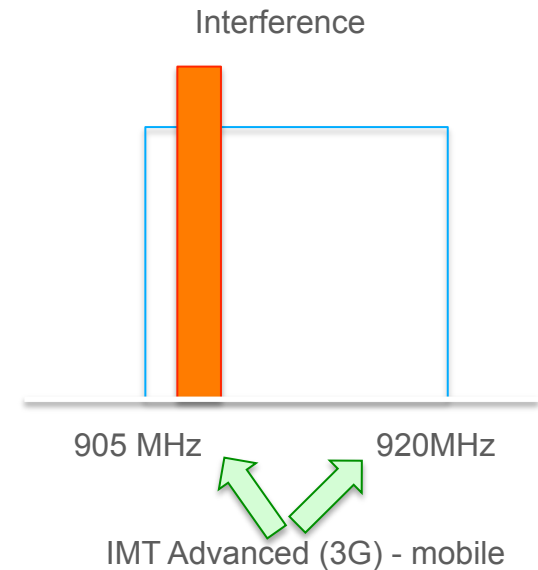
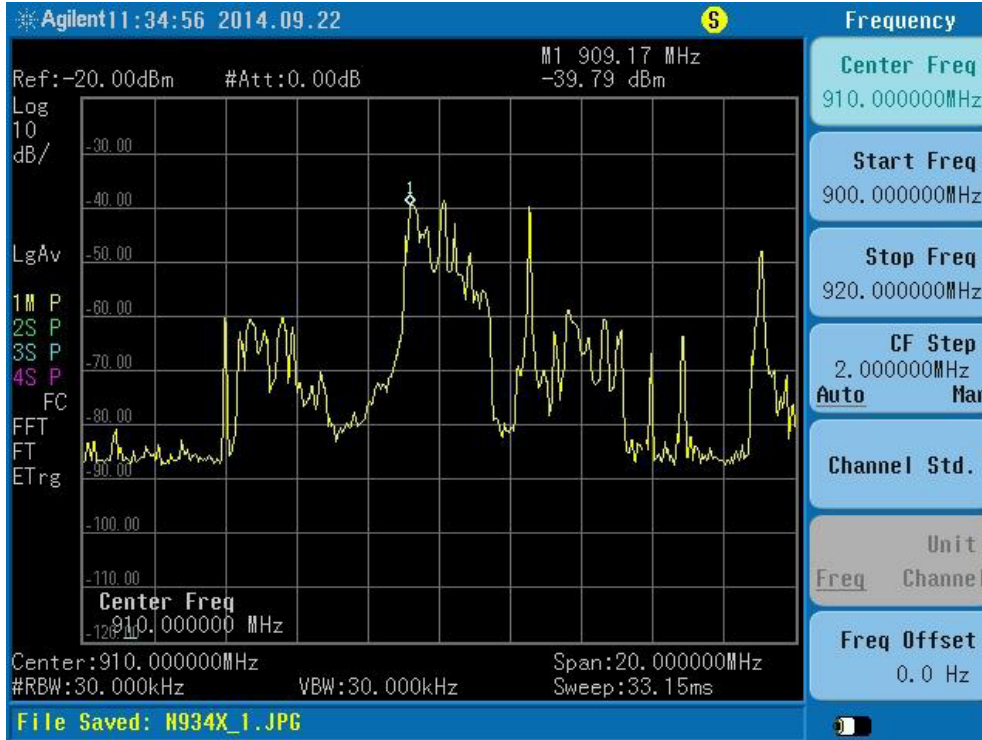
Interference case in the field: aeronautical navigation system disturbance



Wireless Camera



Interference case in the field: interruption on mobile communications



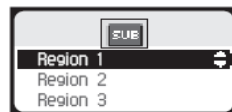
Electronic baby sitter



Unlicensed RF equip

Interference case in the field

Try to asses the impact to communications in your country having the possible configurations below?



Europe band: 1880 MHz - 1900 MHz



US/Canada band: 1920 MHz - 1930 MHz



South America band: 1910 MHz - 1930 MHz



Asia band: 1900 MHz - 1920 MHz

Wireless Phone
DECT
(European Standard)



POST MARKET SURVEILLANCE

LAN CABLE – Aluminum instead of Copper - detected by way of chemical tests



<http://www.sindicelabc.org.br/divulqa/caboslan>

POST MARKET SURVEILLANCE

TABLET



MIDIA coverage – Unfair Competition

[https://translate.google.com/translate?sl=pt&tl=en&js=y&prev=t&hl=fr&ie=UTF-8&u=http://www1.folha.uol.com.br/mercado/2014/08/1494942-disputa-por-venda-de-tablets-vira-vale-tudo.shtml&edit-text=\)](https://translate.google.com/translate?sl=pt&tl=en&js=y&prev=t&hl=fr&ie=UTF-8&u=http://www1.folha.uol.com.br/mercado/2014/08/1494942-disputa-por-venda-de-tablets-vira-vale-tudo.shtml&edit-text=)

POST MARKET SURVEILLANCE

Ex: ROUTER

A simple visual inspection of photos taken during the certification process against models selected on the street can immediatly detect fraud



CERTIFIED/HOMOLOGATED



MARKETED

7 errors game; Shield? Capacitors? Resistor? Connections?
Are EMC/Safety/Interoperability requirements fulfilled?