

# Consignment-based conformity assessment: an important tool for trade facilitation and consumer protection

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## Preface

To ensure that products subject to health and safety risks comply with the applicable regulatory requirements and standards, all countries (and regions therein) implement specific processes based on the principle of product verification and testing against a recognized standard. Often, regulators leverage both public and outsourced resources to adequately fulfill this objective.

Entrusting accredited conformity assessment bodies (CABs) to conduct third-party conformity assessment is a normalized regulatory option in compliance with the WTO TBT agreement. It is widely used in many countries with robust market surveillance and enforcement authorities, including the EU and US, as a means to maximise the potential of public enforcement resources, who can then focus on tasks dedicated to the regulating authorities such as investigations, standards management, accreditations, etc.

Economies in transition or in development have the same right and obligation to protect the health and safety of their population from the import of dangerous, sub-standard or unsafe goods but often have limited standards compliance resources and infrastructure at national level. Therefore, several countries engage international assistance to implement comprehensive consignment-based conformity assessment (CBCA) programmes. These programmes enable regulators to enhance their leadership of market compliance with requirements and standards, while enabling knowledge transfer and ensuring appropriate sub-contracting to the CABs under their authority. CBCA programmes also ease the economic burden of infrastructure investments required for the enforcement of standards compliance.

## Consignment Based Conformity Assessment (CBCA)

CBCA or “Consignment Based Conformity Assessment” is a process for ensuring that a consignment to be shipped complies with the relevant national or international standards and technical regulations. Such a process includes the review of conformity documentation, physical or remote visual inspection of the products (where appropriate) and their correlation with shipping documents pre-arrival.

In a global world where jurisdictions adopt stringent quality and safety requirements to protect their consumers, the suppliers, or the producers, adopt processes to ensure their products’ compliance with these standards. This practice is essential to sustain commercial growth and to avoid related impediments. With such processes in place, when the exporters request CBCA services, they usually already understand the compliance requirements as this step is integral to their export routine to most markets.

## Benefits of CBCA for a predictable commercial environment

CBCA contributes to a predictable commercial environment, as the process remains globally consistent thanks to CABs’ global networks and resources. Economic operators can screen potential suppliers worldwide and verify products’ compliance consistently without additional cost or time for the clearance process irrespective of the product or supplier’s origin. In particular:

- A certificate of conformity gives assurance to the exporter that the goods to be shipped will be accepted by the competent authorities at their destination.
- The same certificate facilitates customs clearance for the importer and reduces the commercial risks of receiving a sub-standard product. This process is aligned with

the provision for pre-arrival processing defined in the WTO Trade Facilitation Agreement.

Finally, CBCA programmes promote a risk management approach in combination with a registration process which enables producers and exporters, who are shipping regularly to a specific destination, to apply for registration and annual audit of their quality management system. This grants access to procedures which permit shipment without systematic physical or remote verification, thereby reducing operational burden.

## CBCA Programme best practice

Ensuring successful CBCA operations require firstly that regulators use a proven CBCA model, as standardised CBCA processes contribute to trade facilitation and reduced efforts for public administrations.

Secondly, it is important that governments implementing a CBCA programme establish a transparent financial model and a fee structure publicly available worldwide to the exporters requesting CBCA services. As a result, the fee structure and technical requirements remain non-discriminatory, and CABs apply equal treatment to all clients.

Thirdly, we support any initiative to integrate data management systems to create real-time visibility on operational flows through ePlatforms. This could potentially include products' registration information, historical data, tracking functionalities and interface with other competent authorities. As such, they empower national authorities to interact with the entire supply chain and monitor certification files. Therefore, they contribute towards trade facilitation.

It is important to distinguish between CBCA and the old "Pre-Shipment Inspection" (PSI) programmes, which aimed at assisting customs with the tariff classification and/or valuation in the country of export. PSI never included standards compliance. Verifications within CBCA are exclusively related to conformity assessment. They have no role in tariff classification or customs valuation processes.

WTO members that implement a CBCA programme align their regulations with the TBT and TFA Agreements. Moreover, the terms of CAB mandates include provisions to comply with the principles adopted by the WTO. TIC Council members implement these principles in their relationship with the exporter or the public.

## The TIC sector's contribution to CBCA

For the past 20 years, TIC Council members have been instrumental in ensuring the development of the best practices for CBCA. TIC Council members involved with CBCAs must be compliant to the [CBCA Code of Practice](#), a set of rules and requirements aiming at raising the bar for the sector and helping authorities assess professional service providers. To ensure consistency, TIC Council Members are audited annually by an independent CAB against the CBCA Code of Practice.

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**TIC Council** is a global association representing over 90 international independent third-party testing, inspection, certification and verification organisations. Testing, Inspection and Certification (TIC) companies cater to a diverse range of industry sectors and a variety of standards and legislation. The industry represents an estimated one million employees across the world with annual sales of approximately USD 200 billion. For further information please see the [Report on the TIC sector](#).