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**ECONOMIC COMMISSION FOR EUROPE**

**COMMITTEE ON TRADE**

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Item 5.1 of the provisional agenda

**REGULATORY COOPERATION AND STANDARDIZATION POLICIES**

Request for renewal of the Mandate of the  
Advisory Group on Market Surveillance (“MARS” Group)

Prepared by the secretariat at the request of the Committee Bureau

This document describes the market surveillance work under the Working Party on Regulatory Cooperation and Standardization Policies (WP.6); in particular, that of its Advisory Group on Market Surveillance (“MARS” Group). The Working Party, at its sixteenth session, in 2005, recommended renewing the mandate and activities of the “MARS” Group until the end of 2007. It hereby requests the Committee to approve this recommendation for forwarding to the UNECE Executive Committee for final approval.

## **I. MARKET SURVEILLANCE ACTIVITIES – A NEW PROGRAMME ELEMENT IN RESPONSE TO MEMBER STATES’ NEEDS**

1. The Working Party on Regulatory Cooperation and Standardization Policies promotes least possible restrictive approaches to regulate safety, health and other legitimate concerns of Governments. In most UNECE member States today, the emphasis for enforcing regulations has shifted from pre-market controls to the control of products already placed on the market; i.e. from certification to market surveillance. Therefore, effective market surveillance is an essential part of the implementation of modern regulatory frameworks. The Working Party began to address market surveillance towards the end of the 1990s, with some members of the Commonwealth of Independent States (CIS) explicitly requesting advice on “good practices”.

2. With this in mind, the Working Party held an International Forum on Market Surveillance in conjunction with its twelfth session in 2002. Discussions revealed the importance of market surveillance for the member States. Delegations agreed to promote good practices in market surveillance methods, making use of the available expertise; to increase transparency and attract attention to the responsibilities and accountability of public authorities and their staff for market surveillance.

3. The Working Party recommended that a team of experts should be established on market surveillance. The team would consider the issues of concern and suggestions brought forward during the Forum. It would thus assist Governments in developing effective systems for controlling the conformity of products in the marketplace to applicable standards and regulations.

## **II. ADVISORY GROUP ON MARKET SURVEILLANCE (“MARS” GROUP)**

### **A. Establishment of the “MARS” Group and its terms of reference**

4. The Advisory Group on Market Surveillance (“MARS” Group) was established in September 2003. The Working Party approved its terms of reference in November 2003 (document TRADE/WP6/2003/13/Add.1) as found in annex.

### **B. Results of the “MARS” Group work: major events and outputs**

(i) Workshop on ‘Market Surveillance in the context of a “wider Europe”: current approaches and future directions’ (Slovakia, 2003);

(ii) Workshop on “Market Surveillance – a Common Strategy of the UNECE – EU under the Regulatory Convergence” (Slovakia, 2004);

(iii) Joint meeting with representatives of Central European Free Trade Area (CEFTA) countries’ market surveillance authorities (Slovakia, 2005);

(iv) Preparation of proposal for new UNECE recommendation on the use of market surveillance as a complementary means to protect consumers against counterfeit goods (TRADE/WP.6/2005/10 Add.1);

(v) Second International Forum on Market Surveillance and Consumer Protection (Geneva, 2005).

### **C. Membership of the Group**

5. The “MARS” Group membership consists of governmental experts from national market surveillance authorities of UNECE member States (representatives of private sector and consumer organizations are invited as observers in cases when their contribution might be useful to discussion). In the context of sharing their experience with various national approaches to market controls, industry representatives have presented their problems. For example, problems related to counterfeit and pirate goods were presented and, at industry’s suggestion a decision was made by the MARS Group to elaborate a formal recommendation for using market surveillance to prevent the sale of this type of goods (for possible final approval by the WP.6). The current status of this work is described in more detail below.

6. The “MARS” workshop of September 2003 (mentioned above) was attended by about 40 delegates from 8 UNECE member States and also from EC and private sector and consumer organizations. More than 30 delegates from 10 UNECE member States, industry and consumers took part in the workshop organized by the Group in April 2004.

7. The 2005 market surveillance forum was attended by more than 100 delegates and experts representing 42 countries, including 26 countries in transition (37 countries were from UNECE region and 5 countries - from Asia, Middle east and Latin America), 3 UN specialized agencies, 5 international intergovernmental organizations and 6 international NGOs, as well as business and consumer associations and private companies.

### **D. Evaluation of the “MARS” Group**

8. With a view to better servicing member States needs and understanding the value provided by the Working Party’s work, an evaluation of the WP.6’s activities was done at the fifteenth session. The average level of appraisal for the WP.6 programme in general was 4.14 (on 1 to 5 scale; 5 highest level) with 4.17 for the “Market Surveillance Forum” and 4.5 for the “importance of market surveillance for your country” (the results of this questionnaire and proposals made by delegates are available on the WP.6 web page).

9. The Euro-Asian Council for Standardization, Metrology and Certification (EASC) has also formally complimented the secretariat on the results of the October 2005 Market Surveillance Forum for its members.

10. Delegates to the Forum agreed that further exchange of information and experiences should continue in this area and recommended that the “MARS” Group should contribute to the dialogue among market surveillance authorities in the region.

**E. Review of the “MARS” Group and its future activities**

1. Review of the work by the Working Party

11. Following a review of the work of the MARS Group, the Working Party decided in October 2005 to extend its mandate until the end of 2007 (without changing its TORs). In setting the priorities for its programme of work, the Working Party took into account the views expressed by delegations at the October 2005 Forum and accorded market surveillance higher priority over other programme elements.

2. Future activities

12. The “MARS” Group is now working on a recommendation “on the use of market surveillance as a complementary means to protect consumers against counterfeit goods” (a draft for the 2006 session of the Working Party will be published as document ECE/TRADE/C/WP6/2006/11).

13. The Group is also working on a recommendation on “definitions” used in market surveillance and has established contacts with ISO CASCO to discuss possibilities of joint work.

14. The next meeting of the “MARS” group will be held in autumn 2006 to have further consultations on a follow-up to the issues raised by member States at the October 2005 Forum and to take into account comments to be made at the Working Party’s June 2006 annual session. Thus, the “MARS” Group will have before it a new draft of a market surveillance recommendation, as well as a discussion paper on market surveillance concepts and definitions (documents ECE/TRADE/C/WP.6/2006/11 and Add.1) with a view of consolidating revised versions of these documents for final consideration and approval by the Working Party at its seventeenth session in 2007.

3. Request for extension

15. The Working Party requests the Committee to endorse the extension of the “MARS” Group until the end of 2007. No additional resource requirements are foreseen for continuation of this work.

**Annex**  
**TERMS OF REFERENCE OF THE UNECE ADVISORY GROUP**  
**ON MARKET SURVEILLANCE (“MARS” GROUP)**

(document TRADE/WP.6/2003/13/Add.1; confirmed by the Working Party on Regulatory Cooperation and Standardization Policies at its fifteenth session in October 2005)

**I. ESTABLISHMENT OF THE ADVISORY GROUP**

1. The establishment of a group of experts group on market surveillance matters was suggested at the UNECE International Forum on Market Surveillance (29 October 2002, Geneva), which was organized in conjunction with the twelfth session of the Working Party on Technical Harmonization and Standardization Policies, WP.6 (28-30 October 2002, Geneva). The WP.6 recommended to establish such a Group and this was approved by the seventh session of the UNECE Committee for Trade, Industry and Enterprise Development (May 2003).

**II. NEED FOR ACTION**

2. Market players like public authorities, manufacturers, retailers, importers, and consumers/users need transparent rules of play. Consistent and effective procedures in the field of the protection of consumers and workers are a precondition to address this concern. Improved co-ordination and creation of “good practices” for market surveillance authorities is of great importance. Such co-operation and co-ordination is essential for the good functioning of both national markets and for the UNECE region at large in order to eliminate distortion of competition and to protect the consumers. Transparent and consistent “good practices” will also contribute to the facilitation of international trade.

**III. OBJECTIVES OF THE ADVISORY GROUP**

3. The general task of the Advisory Group of experts on MARKet SURveillance (“MARS” Group) is to contribute to the activities of the Working Party on Technical Harmonization and Standardization Policies (WP.6) aimed at creating conditions conducive to the development and promotion of global trade and economic cooperation.

The specific tasks of the Group are:

- (a) To provide for an interaction on a national/regional/international level between all players concerned, including public authorities, manufacturers, retailers, importers, and consumers/users against goods not in conformity with legislation being placed on the market;
- (b) To increase transparency and attract attention to the responsibilities of public authorities and their staff for market surveillance with regard to their accountability in the chain of control;

(c) To identify good practices and methods ensuring fulfilment of legitimate objectives (such as protection of human health or safety, animal or plant life or health, or the environment and to ensure fair competition) in existing legislation;

(d) To promote (and when necessary initiate) coherent good practices and to elaborate relevant recommendations concerning market surveillance within the UNECE region.

#### **IV. COMPOSITION OF THE ADVISORY GROUP, ITS MEMBERSHIP AND PARTICIPATION IN ITS MEETINGS**

4. Members of the Group are representatives from UNECE member States. It may also include representatives from other UN Member states.

5. The Group is open to participation by experts from international organizations as well as to representatives of the private sector and non-governmental organisations (NGOs) as observers in their personal capacity.

6. The Group may establish sub-groups of experts to prepare projects requiring specific expertise, which are expected to become a part of the general activities of the Group. The Group can work with interested governments and organizations on financing and implementation of such projects.

7. The UNECE secretariat will provide necessary support to the Group and its sub-groups within available resources.

#### **V. REPORTING**

8. The Group works under the guidance of the Working Party on Regulatory Cooperation and Standardization Policies (WP.6) and reports to it. The Group works on the understanding that its final proposals or recommendations will be decided by the WP.6 as an intergovernmental body.