



Consignment Based Conformity Assessment ("CBCA") Programme

Also known as "Verification of Conformity" ("VoC")

1. PURPOSE OF THE SERVICE

The purpose of the service (the "Service") is as follows:

- To assist the User Government (as defined hereinbelow) to improve consumer and environmental protection as well as industrial development through assessment of compliance applied to imported/exported consignments;
- If the User Government is a member of the World Trade Organisation ("WTO"), to assist the aforementioned User Government in implementing the principles and complying with the obligations laid down by the Agreement on Technical Barriers to Trade ("ATBT");
- And, possibly, to lend its assistance under the framework of the process of reinforcing quality infrastructures by providing supplementary services, such as technical training modules and/or specialised testing systems/equipment.

This Service is provided by Bureau Veritas in compliance with (i) the standards and rules made available/communicated by the User Government, (ii) the IFIA's Consignment Based Conformity Assessment Code of Practice ("CBCA Code of Practice") and (iii) the Bureau Veritas Code of Ethics.

2. DEFINITIONS AND SCOPE

Definitions:

"Consignment Based Conformity Assessment Code ("CBCA")": refers to a process suitable for ensuring compliance of the shipment of products exported from, or imported into, the territory of the User Government with the applicable national and international standards and technical regulations with a view to the purpose outlined in section 1 hereinabove. The aforementioned process includes verifying the conformity of the shipping documents as well as physical verification of the goods shipped (if necessary) and of their compliance with the shipping documents.

"CBCA Programme": means the list of products subject to the programme, the Applicable Standards, and the procedures and management of the Consignment Based Conformity Assessment (CBCA) Programme of the User Government. The CBCA Programme defined by the competent governmental authorities and standardisation organisations requires that consignments be covered by a certificate of conformity with the programme.

"User Government": refers to any government or governmental body (for example the Ministry of Trade or Industry, or the organisation in charge of ensuring products conformity) that has signed a contract with a company in the Bureau Veritas group or which has assigned it a CBCA service authority, or recognising its certificates.

"Certificate": means the report issued by a company of the Bureau Veritas group responsible for the CBCA assessment, indicating that the conformity of the consignment's goods has indeed been checked in accordance with the procedures and requirements of the CBCA Programme and that the presumption of conformity of the consignment has been established based on (i) documents supplied by the exporter or importer and, (ii) as the case may be, a visual inspection, depending on the User Government's requirements and on the process followed. The Certificate is only intended for use within the context of the Customs clearance process in the importing country.

"Applicable Standards": generally covers the mandatory standards and technical regulations of the User Government as well as the international standards supplemented by national deviations.

"Inspection Report": is an interim report issued following completion of the visual inspection of the goods. This report, which does not constitute a Certificate, and which is intended solely for internal use, may, depending on the case in question, either indicate a "satisfactory" or "unsatisfactory" result. The term "satisfactory" refers to (i) the consistency of the inspected

goods with the description provided to Bureau Veritas by the importer or the exporter, (ii) the conformity with the regulatory criteria specified by the User Government of the importing country, and (iii) the conditions for carrying out the inspection (obstacles, lack of access, ethical issues, security and safety risks, etc.). This document only relates to the visual inspection, namely one of the inspection stages prior to shipping (cf. section 4 below).

"Non-Conformity Report" ("NCR") or "Non Negotiable Report of Findings" ("NNRF"): refers to a report intended for the importer and for the User Government, indicating that the assessment result is not "satisfactory" following detection of an instance of non-conformity or of a fraud, or of the impossibility of completing the assessment for reasons attributable to the exporter/importer.

3. EQUIPMENT USED

In the course of the physical/visual inspection carried out pursuant to the CBCA Programme, the staff and the inspectors of Bureau Veritas do not generally need special equipment, other than personal protective equipment and cameras. All the handling operations must be carried out by the importer or exporter using its own resources and under its own responsibility. Duly calibrated measuring instruments (in particular weighing equipment when the quantity is defined by weight) may be required at the inspection site.

Laboratories carrying out tests must, for their part, have appropriate equipment (cf. section 4 below).

However, User Governments may sometimes require additional services requiring the use of other resources, such as radiation measuring instruments or X-ray scanners: in this case, the agents and staff of Bureau Veritas shall use specific equipment.

4. PERFORMANCE OF SERVICES

The Service includes several distinct phases. The basic process of the CBCA Programme, which is accessible to any exporter/importer, includes the conformity documents verification phase (including any supplementary tests), the risk assessment, the inspection, and the final review, as described below.

In order to facilitate trade whilst at the same time encouraging conformity, "streamlined processes" may be applied depending on the profile of the exporter or manufacturer and on the goods that to be shipped. Within this context, the process can only feature part of the phases described below. Certain phases may only become applicable under the framework of consignments monitoring (this is not applied systematically).

• Verification of the conformity documents:

Along with the *"Request for Certificate"* (or *"RFC"*), the exporter/importer shall provide Bureau Veritas with the documentation enabling it to be established with confidence that the products to be exported/imported comply with the Applicable Standards. Ideally, these documents are test reports issued by accredited laboratories. Other conformity documents may be accepted in accordance with the CBCA Code of Practice and depending on the type of product and CBCA Programme concerned, particularly when a risk assessment applies (cf. below).

When the documentation is not sufficiently trustworthy, tests shall be carried out on one or more samples. The exporter is free to select any laboratory of its choice insofar as the laboratory is recognised as being competent to perform the required tests. Strictly speaking, carrying out tests is not part of the Service. Nevertheless, Bureau Veritas may offer to carry out these tests in one of its laboratories.

• The risk assessment:

Supplementary to the "streamlined processes" referred to hereinabove and in accordance with the CBCA Programme in force and the directives of the User Government, it may be possible to



carry out a specific assessment in order to identify those consignments for which it is trusted there will be greater compliance. This assessment is then carried out based on tangible evidence and, when the level of confidence is established, enables the conformity documents checking phase to be either streamlined or eliminated (cf. above).

• **Physical/visual inspection:**

The Bureau Veritas inspector checks the goods covered by the sampling plan. The inspection is generally carried out at the exporter's warehouse. It is up to the exporter to adopt the measures required to enable the Bureau Veritas inspector to effectively carry out his or her work within the timeframes set, in accordance with the rules of ethics, and under completely safe conditions.

The inspector conducts a visual check to ensure that the shipped products do indeed match the documents forwarded (in particular the name, the trademark / manufacturer's name, and the reference). This may also include a visual inspection of the conformity with certain points in the Applicable Standards, particularly in terms of labelling, marking, and expiry date.

At the end of the inspection, an Inspection Report is issued, the use and scope of which are limited to those described in section 2 above.

• **Final review and issuing of the Certificate or Non-Conformity Report:**

Once the document verification and inspection stages have been completed with a "satisfactory" result, the exporter/importer shall send the competent office of Bureau Veritas the final documents: the final invoice and other documents which may be required by the CBCA Programme.

Bureau Veritas checks compliance of these documents with the assessment carried out beforehand and uses them to issue the Certificate.

The Certificate will not be issued (and will be replaced by an NCR) in the event of a discrepancy:

- In terms of the documentary verification: (i) Absence of acceptable conformity documents and refusal to carry out further assessment (for example, tests or analyses), (ii) detection of non-conformity based on the documents provided, or (iii) detection of fraud (for example, providing false documents, falsified documents or counterfeited products confirmed by the User Government), or (iv) unethical behaviour.
- In terms of the physical/visual inspection: (i) If the quality or quantity of the goods does not match the description featured in the commercial documentation and/or shipping documentation provided (e.g. the pro forma or final invoice, the packing list), (ii) if the goods are clearly in poor condition, (iii) if an instance of non-conformity is detected in the goods inspected, (iv) in the event of fraud or unethical behaviour, or (vi) if the Bureau Veritas inspector does not receive the benefit of satisfactory conditions for carrying out his or her work.
- In terms of the final review: (i) If the goods inspected do not match those described in the documents examined, (ii) if payment for the Service has not been made (payment for the Service may be demanded at any time), or (iii) if a non-conformity or an irregularity is detected.

5. SAMPLING PLAN

If the consignment features numerous packages and/or items, the visual/physical inspection will not be carried out on all of the goods: it will only be done by spot checks on the product lines and by selection based on the quantity of the product lines selected, in accordance with a sampling plan determined by Bureau Veritas.

6. DELIVERABLE SUPPLIED BY BUREAU VERITAS

The deliverable that will be supplied by Bureau Veritas is a Certificate (or an NCR) containing the following data (which may vary depending on the requirements of the User Government):

- Number of the Certificate or NCR;
- The issuing office and the country where it was printed (where applicable);
- Date of issue of the Certificate;
- Names and addresses of the exporter and importer;
- The invoice reference;
- Trade description of the goods (in particular the description of the product, the trademark / manufacturer's name, and the reference).

Where applicable, the Certificate is delivered to the importer with a view to Customs clearance. The information relating thereto may also be forwarded to the authorities in the importing country.

7. LIMITS OF THIS PROVISION OF SERVICE

Issuing the Certificate constitutes the conclusion of the trust concerning the presumption of conformity of the goods that have to be shipped, pursuant to the procedures of the CBCA Programme concerned.

The Certificate used for Customs clearance does not exonerate the importer or its declarant from their own responsibilities in relation to the User Government and the end-user of the goods, particularly with regards to the accuracy and sincerity of the Customs declaration.

The Service is only intended for the purpose described in section 1 and is not intended for:

- Settling any conflicts of a commercial nature between the importer and the exporter, e.g. concerning the quantity or the quality of the goods ordered;
- Certifying the conformity of the goods presented for the Customs clearance.

For the avoidance of doubt, Bureau Veritas does not fulfil the role of an insurance company or a guarantor concerning the adequacy, quality, merchantability, fitness for a specific purpose, or the performance of the goods to which the Service relates.

8. COST OF THE SERVICE

Payment for the Service is generally borne by the exporter or, more infrequently, by the importer. Additional tasks, such as re-inspection, tests, or specific audits (access to "streamlined processes") may also be invoiced for.

9. OTHER IMPORTANT INFORMATION

Please refer to the directives or data sheets for the importing country, which can be accessed on www.verigates.com.

The authorities of the importing country may establish a risk management system which, on a case-by-case basis, defines the inspection level applicable to each import, including through using scanners upon arrival. Other regulatory processes and checks including, among other things, checking the compliance of the goods with certain regulations, or other inspections upon arrival, while the goods are being unloaded, may also apply.

In order to help you fulfil your contractual obligations whilst at the same time fulfilling your specific requirements, Bureau Veritas may propose other types of services to you, such as commercial inspection (specific checks, inspection reports with photos, etc.) and tests in accordance with specifications, in exchange for the payment of fees calculated separately. Please contact your local Bureau Veritas office in order to obtain further information on this topic.