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News in Brief

June 2020

Dear Reader,

Besides the direct consequences of the tragic Corona pandemic regarding health matters and economy, one of the indirect effects one now sees is a 'globalization in reverse'.

As a precaution towards similar threats in the future, individual countries and industry may prefer to become more selfsufficient, even if it entails higher costs and more expensive products. So 'home-grown' might for many countries be high on the agenda in the coming years. How much will international trade be affected?

This vital topic is also touched upon below in this issue of Nemko News in Brief, which is hoped to be of interest.

Best regards Trond Sollie Editor

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New certification scheme for cryptographic products in China



The Chinese State Administration for Market Regulation (SAMR) has, together with the State Cryptography Administration (SCA), announced implementation of a new certification scheme for cryptographic products in China. This new scheme, which replaces the former 'OSCCA license- and importation permit'. entails use of the GM-mark shown at left here.

The mark shall appear either on the actual product or on its package under certain conditions.

The scheme, which was launched on 9 May this year, is voluntary in general, but mandatory when selling cryptographic products to governmental agencies, to state-owned companies or to financial institutions such as insurance companies and banks.

The certification process comprises type testing of a product sample + initial and periodical factory inspections. The type testing shall be according to Chinese cryptographic standards, and must be performed in China by some designated lab, which, however, has not yet been announced.

The scope of products concerned is shown in the '*Commercial Cryptography Certification Catalog (First Batch)*', and includes e.g. terminals and servers for cryptography, security access control systems, RFID chips, etc.

The certificate is valid for 5 years, and can within 6 months before the expiry date, be prolonged for another 5 years.

For further information and/or assistance with certifications for China, please contact Billy.Xiao@nemko.com

Paradigmatic shift from globalization to localization..?

When major car makers in Korea had to shut down their assembly lines in in February this year, it was not due to some 'homegrown' Corona issue. It was rather because key suppliers in China had to shut down overnight by order of the Chinese government to stem the spread of the virus, whereby shipments ceased immediately. Suppliers of basic components, such as plastics, proved to be the bottleneck.

This is an example of what major industries in many countries now see as a typical scenario one must hereafter find ways to avoid at any price.

The logical course of action is to look for local options for the necessary supplies, which clearly will have paramount consequences for industries and businesses worldwide.

Change in supply chain by post-Covid19



The effects for international trade is also likely to be drastic, not least for the electrotechnical sector which has represented more than 30% of the international trade of products and components.

In the example of the auto industry, they see localized production networks emerging in both America, Europe and Southeast Asia; a shift away from just-in-time part delivery to a logistics system where local warehouses are employed to carry part buffers; and not least, reducing the number of model variants in order to reduce the needed number of component variants.

A similar shift, more or less, must be expected also in other sectors, such as the electrotechnical industry.

Another apparent effect of the current pandemic for industry and businesses, is the need for more focus on risk management, by accounting for expectations of the unexpected.

More information about this subject may be seen e.g. here.

Highlights of the annual CB scheme management meeting



This year's IECEE Certification Management Committee (CMC) meeting was planned to take place in Montego Bay, Jamaica 3-4 June, but due to the Corona situation was instead organized as a web based meeting by the IECEE secretariat in Geneva. CMC is the controlling board of the successful international CB Scheme, which now has 54 member body countries and 88 national certification bodies (NCBs) with about 553 associated testing labs

(CBTLs) worldwide, and also >2000 authorized manufacturers' labs. Nearly 112 000 CB Test Certificates were issued last year, thus contributing significantly to the world trade of safe electrical and electronic products.

This year's meeting was attended by 125 persons, representing industry as well as the NCBs and authorities from the IECEE member countries + from the IEC Central Office in Geneva and some observers. Mr. Morten Andersen attended for Nemko, which is amongst the leading NCBs within this important scheme. The editor of this newsletter attended as head of delegation on behalf of the Norwegian IECEE Member Body NEK and as convener of an important sub-committee.

Amongst the matters on the agenda this time were:

-Welcoming the African country Ivory Coast as new Member Body country

-Noting that Brazil is in process of adopting a similar regulatory system as the European *New legislative Framework*.

-Noting that Indonesia has some undue restrictions for recognizing CB Test Certificates.

-Mr.Steve Margis (UL,USA) elected as new CMC chairman from 2021, succeeding Mr. Wolfgang Niedziella (VDE, Germany), who completes his last term this year.

-Mr.Grant Schmidbauer (Nemko,US) elected as new member of the Peer Assessment Committee (PAC). -Revised Operational Document (OD-2055) for medical devices to be published.

-IEC's Council Board initiated a review (assisted by the consulting firm KPMG) of the IEC governing structure, which might also affect the IECEE/CB Scheme.

For further information, please contact Morten.Andersen@nemko.com.

Update on Brexit – the UK/EU regulatory situation

After leaving the EU on 31 January this year, the UK is no longer a member of the EU's institutions. However, during a transition period until the end of this year, UK shall largely be as if still being an EU member state, e.g. regarding free movement of goods, persons, services, capital and payments.



The *Withdrawal Agreement* provides for a possible extension of the transition period up to one to two years. This would allow the EU and the UK more time to reach a new agreement to legislate for the period after transition.

The decision about possible extension should be by 30 June, which at this moment is actually not yet known. (Certainly, the circumstances of the current Corona issue, might affect also the outcome of this).

In any case; concerning <u>the regulatory regime for e.g. electrotechnical products, the situation appears in brief</u> to be presently as follows:

From 1 January 2021, UK will have a national conformity assessment (CA) scheme equivalent to that in the EU, entailing use of a 'UKCA'-marking instead of 'CE'-marking.

However, 'CE-marking' will be accepted in parallel for a transitional period, possibly for more than one year after

1 January 2021, which is yet to be determined.

Manufacturers may already now apply 'UKCA-marking' in addition to 'CE-marking' which is still required on products in UK until the end of 2020, provided it does not impede the visibility of the CE marking.

For further information, please contact Edward.Rose@nemko.co.uk



Nemko's 26th annual customer seminar successfully completed online

Nemko's first annual customer seminar was in 1995, so it was now the 26th time for this annual event. This time it was arranged remotely online, due to the current restrictions for international travels and for people assemblies.

As usual, the participants were invited representatives from major manufacturers of electrical- and electronic products worldwide, and time a state of 120 outputs in anticipants

also from some of Nemko's overseas partners. It was this time a total of 126 external participants.

Nemko CEO Per Ove Øyberg acted as host for the event, and there were 9 speakers whose presentations had been recorded up front.

Amongst the themes were:

- -Introduction to the OneNemko customer portal.
- -Transitioning to the hazard based safety standard IEC62368 for electronic equipment worldwide.
- -IoT and cybersecurity.
- -Overview of recent changes for International Approvals.
- -Wireless approvals globally.
- -RoHS approval in EAEU (Custom Union).

The organizers were very happy about successfully completing this online. It entailed a very extensive editing process for transforming the content from a mere webinar format into a digital seminar with a professional profile.

For further information, please contact Geir.Horthe@nemko.com

Lorem ipsum

Status of Nemko's local operations during the current virus crisis

China: The operation in Shenzhen is as normal, with restrictions on visitors in the lab. Hong Kong: The operation in Tuen Mun is as normal. Taiwan: The operation in Taipei is as normal. South-Korea:

The operation in Youngin (Seoul area) is as normal, but international travels are restricted.

India: The laboratory in Faridabad (New Delhi area) is partly in operation.Italy: The operation in Biassono (Milan area) is operating with visitation limits.Germany: The operation in Karlsruhe is as normal.

USA: The operation in San Diego is as normal.

Canada: The operations in Ottawa, Montreal and Toronto are as normal. **Norway:** The operations in Oslo and at Kjeller are as normal.

All the entities are continuously following the development and public advice on safety precautions.

Information about the situation at any time is available at this webpage.

Coming events

IEC Academy webinars

Information about themes and times may be seen here.

GSO courses in the Arabic Gulf Region during 2020 Information about themes, places and times may be seen here.

<u>Receive invitations to Nemko webinars on current compliance matters</u> The webinars will be conducted in English, and one will be able to access the recordings afterwards, for own use and sharing with others.

Please register here.

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