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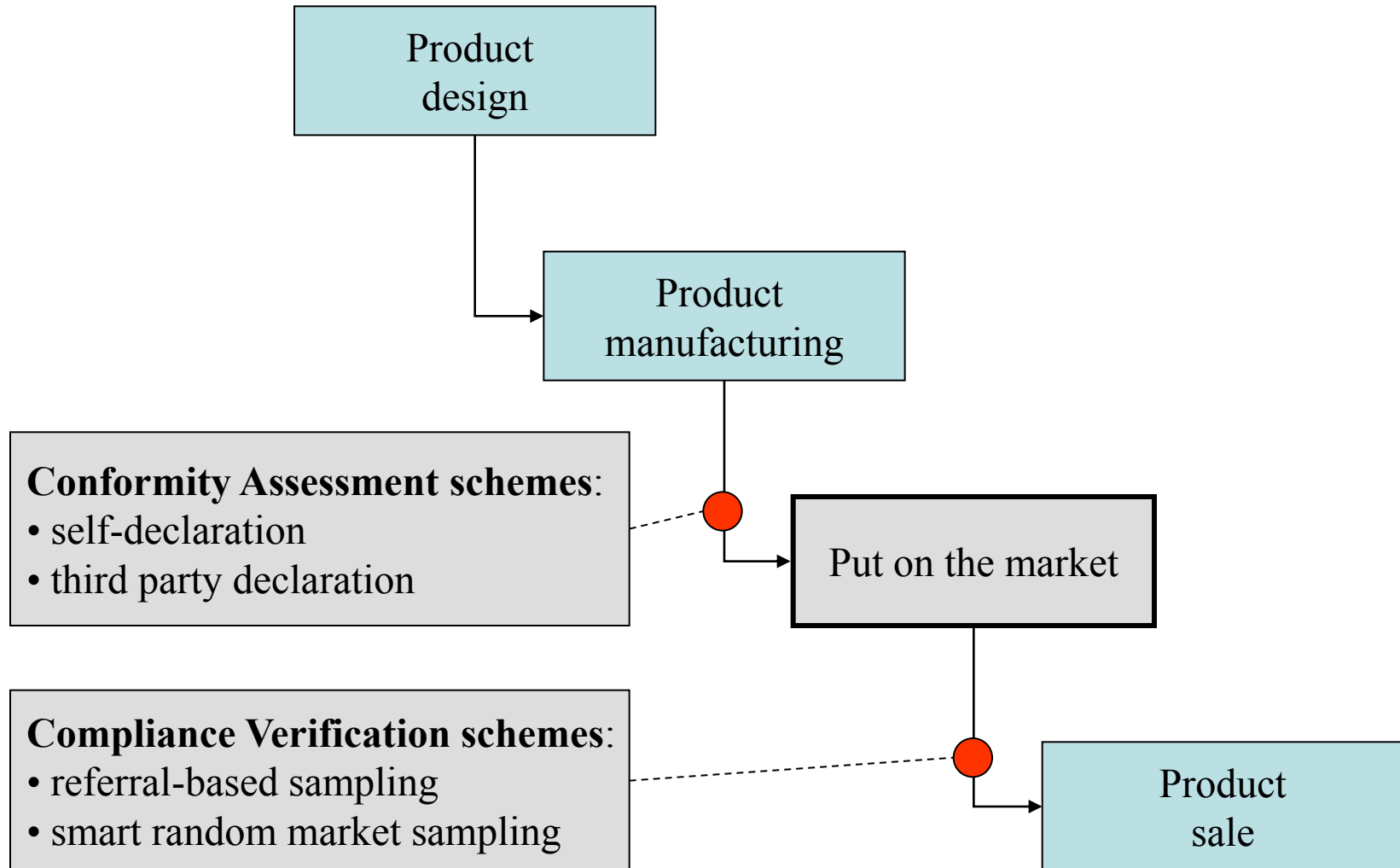
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# **The pros and cons of different designs for Monitoring, Verification and Enforcement Regimes**

**International Monitoring, Verification and  
Enforcement Conference  
London, 2010/09/14-16**

# MVE pivots on placing products on the market

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# Without MVE schemes the game can be unfair

		Manufacturer X	
		compliant	Non compliant
Manufacturer Y	compliant	(medium, medium)	(high, low)
	Non compliant	(low, high)	(medium, medium)

(benefit for X, benefit for Y)

Without Monitoring, Verification and Enforcement (MVE) schemes there is the high risk of having only one equilibrium: non compliance

# MVE schemes can change the rules of the game

Manufacturer X

		compliant	Non compliant
Manufacturer Y	compliant	(medium, medium)	<b>(low, high)</b>
	Non compliant	<b>(high, low)</b>	<b>(low, low)</b>

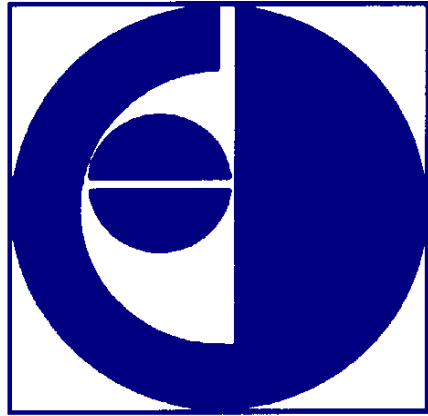
(benefit for X,  
benefit for Y)

With **effective** Monitoring, Verification and Enforcement (MVE) schemes there is the high risk of having only one equilibrium: **compliance**

# An effective MVE scheme leads to a fair game

<b>Conformity Assessment schemes</b>	+	-
• self-declaration	as powerful as brands	alone is not enough
• third party declaration		cost/benefit unfavourable alone is not enough
<b>Compliance Verification schemes:</b>	+	-
• referral-based sampling	targeted only testing	as good as the referrals
• smart random market sampling	as fair as possible	thought to be expensive

**Self-declaration and smart random market sampling  
can ensure fairness in the game**



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