



TELECOMMUNICATIONS  
INDUSTRY ASSOCIATION

1320 N. Courthouse Rd., Suite 200  
Arlington, VA 22201 USA  
[www.tiaonline.org](http://www.tiaonline.org)

Tel: +1.703.907.7700  
Fax: +1.703.907.7727

**Submitted via email ([zacharias.bilalis@ec.europa.eu](mailto:zacharias.bilalis@ec.europa.eu))**

November 30, 2014

Mr Hans Ingels, Head of Unit, Internal Market  
DG Enterprise and Industry  
European Commission  
200 rue de la Loi  
1049 Brussels  
Belgium

Re: *Input of the Telecommunications Industry Association to the European Commission's DG-Enterprise on ENTR.C.1 ZB/el D(2014)3653472, eCOMPLIANCE – Request for feedback on Commission paper*

Dear Mr. Ingels:

Please find attached the comments of the Telecommunications Industry Association in response to the Enterprise and Industry Directorate-General's ENTR.C.1 ZB/el D(2014)3653472, *eCOMPLIANCE – Request for feedback on Commission paper*. If you have any questions, we strongly urge you to contact the undersigned.

Respectfully submitted,

**TELECOMMUNICATIONS INDUSTRY ASSOCIATION**

By: /s/ Brian Scarpelli

Danielle Coffey,  
Vice President & General Counsel, Government Affairs

Brian Scarpelli  
Director, Government Affairs

**TELECOMMUNICATIONS INDUSTRY ASSOCIATION**

1320 North Courthouse Road  
Suite 200  
Arlington, VA 22201  
703.907.7700

***Input of the Telecommunications Industry Association to the European Commission’s DG-Enterprise on ENTR.C.1 ZB/el D(2014)3653472, eCOMPLIANCE – Request for feedback on Commission paper***

**I. Introduction and Statement of Interest**

The Telecommunications Industry Association<sup>1</sup> (TIA) submits these comments to the Enterprise and Industry Directorate-General (DG-ENTR) in response to ENTR.C.1 ZB/el D(2014)3653472, *eCOMPLIANCE – Request for feedback on Commission paper*, in which an electronic labeling (eLabeling) allowance is discussed as a possible approach to implement the “eCompliance” concept – improving the way compliance with European Union harmonization legislation can be demonstrated/controlled electronically.

TIA commends DG-ENTR for undertaking this examination, and we agree that electronic labeling (eLabeling) would provide a crucial vehicle for furthering the Union’s eCompliance goals. In our comments below, we urge DG-ENTR to ease technical and logistical burdens on manufacturers while increasing access to useful information about devices by allowing for the non-exclusive use of eLabeling of radio frequency (RF)-emitting and terminal information and communications technology (ICT). We urge DG-ENTR to move forward and finalize this optional allowance as soon as possible. Below, TIA provides its overarching views on agreeable themes that rest within several of the options put forward by DG-ENTR, and separately provides answers the four specific questions asked.

**II. TIA’s General Views on DG-ENTR’s Proposal to Allow for eLabeling**

We believe that DG-ENTR recognizes that the Union, like other important markets, benefits greatly from the competitive nature of the global ICT equipment market. This environment presents unique challenges to ensuring governments, consumers, and other stakeholders to readily determine whether a device has been properly certified, and to obtain additional information about a device as efficiently as possible. Historically, the use of physical markings or labels have played a key role in providing this important information, but the continuous evolution of industrial design and multiple regulatory environments has led to increased costs and difficulty in ensuring all relevant markings or labels are affixed in an efficient and convenient manner for the user of the device. The issue is further compounded by the fact that multiple regulatory environments require different markings or labels, which increases the inefficiencies, costs, and difficulties for U.S. ICT equipment manufacturers and vendors who sell and distribute their goods around the world.

---

<sup>1</sup> TIA is a global trade association based in Washington DC, United States, which represents hundreds of global ICT manufacturers, vendors, and suppliers. For more information, we urge you to view TIA’s Policy Playbook, which provides further information on TIA, an overview of the ICT market, technologies, and policy recommendations to drive innovation and investment in the ICT field. See <http://www.tiaonline.org/policy/tia-2013-playbook>.

eLabeling – the use of entirely electronic means to satisfy important device labeling requirements – has becoming a natural progression from hard copy labels which will help in streamlining and lowering costs in the manufacturing process, eliminating typographical errors which sometimes appear on hard copy labels, and improving the approval processes by providing ease of access to information for the various constituencies in the device approval process, including DG-ENTR.

The provisional options put forward by DG-ENTR entertain a number of ways to promote eCompliance, and these options consider both a voluntary or mandatory approach. TIA urges DG-ENTR to ensure maximum flexibility for manufacturers in their use of eCompliance approaches by adopting a voluntary, rather than mandatory, system that will not disadvantage particular technologies or competitors, and that will maximize the effectiveness of the eCompliance initiative. The broad stakeholder consensus is that an enabler of the Union’s eCompliance goals can include the non-exclusive use of eLabeling for RF-emitting and terminal ICT equipment, which allows consumers and other users access to easily readable and prominently displayed information about each device. In order to address concerns related to Union customs import rules, TIA supports putting needed information on packaging labels that includes required regulatory markings and other important information including proper device care, electronic recycling programs, and warranties.

The following details TIA’s vision of the optional eLabeling allowance for the Union:

***Products Permitted to Use eLabeling:*** eLabeling would be available for products that use a screen where the eLabeling information can be adequately displayed for consumers and regulatory authorities – *e.g.*, smart phones, tablets, phablets, etc.

***Contents of the eLabel:*** TIA proposes that, at a minimum, the eLabel consist of:

- The CE mark
- The product model number
- Any other required information provided on the surface of the product

***Standardized Shortcut to Contents of the eLabel:*** Equipment using eLabels shall include the 3GPP standard interface which provides a means of displaying electronic labels through the use of a standard code that the user inputs. Specifically, 3GPP provides:

“The [mobile equipment (“ME”)] may display the electronic marking (e-marking). If the ME supports the e-marking and if the ME supports Physical user input features (see section 5), the following procedure shall instruct the ME to display its e-marking: The procedure shall be accepted and performed with and without an inserted SIM/USIM. The e-marking may include, at the option of the manufacturer, regulatory-mandated marking information, regulatory restrictions of use if required and other relevant

marking information. The regulatory marking should follow the format given by the regulation(s).”<sup>2</sup>

**Information for Customs Agents:** For each unit of imported equipment that incorporates an eLabel in lieu of a physical label, manufacturers may attach on the screen of each unit a transparent, removable sticker that contains the contents of an eLabel described above.

DG-ENTR’s proposals position it to lead in the use of regulatory approaches which foster innovation and advance public policy goals, and the optional eLabeling allowance would also be harmonized with the Australian Communications and Media Authority’s approach,<sup>3</sup> the United States’ Federal Communications Commission’s final guidance putting forward an eLabeling allowance for devices with integrated screens,<sup>4</sup> as well as a similar allowance now in place in Canada.<sup>5</sup> We commend DG-ENTR for their inclusive approach to working with the industry to advance the public interest through this consultation.

### III. TIA Responses to DG-ENTR’s Specific Questions on eCompliance

Question 1: Which of the above provisional options would you think is the best solution and for what reasons?

In the broader context of eCompliance and the provisional options that DG-ENTR has put forward, TIA supports the use of Option 0, which would maintain the status quo. DG-ENTR should ensure that it does not conflate the allowance for eLabeling as we define above with the (possibly legislative) process that would unnecessarily delay the allowance for eLabeling. As we have noted above, this allowance already exists in several key regions, and is increasingly being considered elsewhere. The use of eLabels by manufacturers of ICT products with integrated screens would increase logistical flexibility while ensuring accurate information for end users and post-market surveillance. For example, in an environment where physical labels are still required, once the etchings are made or the permanent stickers are applied, the device’s destination is set based on the regulatory information used. Frequently, customers from all over the world change or cancel their purchase order, resulting in devices destined for one country needing to be pulled off of shipping pallets, unwrapped, and changed to reflect the necessary regulatory information.

---

<sup>2</sup> 3GPP TS 22.030, “Man-Machine Interface (MMI) of the User Equipment (UE),” Rel-12 (version 12.0.0, dated 9-19-2012) at Section 6.9, available at <http://www.3gpp.org/DynaReport/22030.htm>.

<sup>3</sup> See <http://www.acma.gov.au/Industry/Suppliers/Supplierresources/Record-keeping/electronic-labelling-equipment-types-i-acma>.

<sup>4</sup> See <https://apps.fcc.gov/oetcf/kdb/forms/FTSSearchResultPage.cfm?id=27980&switch=P>.

<sup>5</sup> See <http://www.ic.gc.ca/eic/site/ceb-bhst.nsf/eng/tt00099.html>.

TIA would like to emphasize that the use of eLabeling is not tied to the implementation of a registration scheme, whether voluntary or mandatory. This key point is reflected in the existing implementations of eLabeling elsewhere in Australia, the United States, and Canada.

Alternatively, the use of Option 4 (standalone eLabeling) on a voluntary basis would be an acceptable approach, though it should not be tied to the legislative process, which would result in an unnecessary delay in implementation.

Question 2: Which of the above option(s) would you reject and for what reasons?

TIA opposes the use of Option 1, which, despite being voluntary, would raise significant concerns related to the scope of information that would be reported as well as how that information would be maintained by the Union for purposes of confidentiality.

TIA also opposes the use of Option 2 in that it would be mandatory. As put forward by numerous commenters to inform DG-ENTR's first consultation, a voluntary approach to eCompliance would provide flexibility in integrating more efficient eCompliance approaches and would avoid legal and feasibility issues associated with ensuring that all operators use a compulsory system.

For similar reasons described for Options 1 and 2 above in this question, TIA opposes the use of Option 3.

Lastly, TIA believes that Option 4 may be acceptable only if its wording is altered to accurately reflect what eLabeling is. Implementation of eLabeling does not require the physical tagging or embedding of further physical labels or marking; instead, eLabeling is the practice of completely replacing physical labels or etchings through integrated displays on devices.

Question 3 (only for economic operators): What are the current "costs" (e.g. in terms of percentage of total manufacturing costs, man hours etc.) of providing authorities with the paper documentation you are required to? Please explain the way you calculate the costs.

In the context of eLabeling, TIA believes that the requirement for manufacturers to either etch or print mandatory regulatory markings on the exterior of devices increases costs and limits industrial and aesthetic design options, while proving ineffective in conveying this information to consumers. Innovative designs have left far less space on devices where external labels can be placed, requiring more sophisticated and costly machinery to complete the task. As such, the present device-labeling obligation has become burdensome, expensive, and outdated. By some estimates, the allowance for eLabeling will save manufacturers over US \$80 million a year.<sup>6</sup>

---

<sup>6</sup> See, e.g., The Hill, "House passes 'E-labeling' bill," (Sept 11, 2014), available at <http://thehill.com/blogs/floor-action/house/217448-house-passes-e-labeling-bill>.

In the broader context of eCompliance, calculating the cost of providing authorities with required paper documentation is very difficult because of the diverse size, business streams, the degree to which a company receives post-market surveillance requests, etc., particular to each organization.

Question 4 (only for economic operators): For the above options, can you give a (very) rough estimation of the “costs” (e.g. in terms of percentage of total manufacturing cost, man hours etc.) of providing authorities with electronic documentation you are required to? Please explain the way you reach this estimation.

In the broader context of eCompliance, at this point it is very difficult for TIA to provide an estimation of costs related to providing authorities with required electronic documentation. To make this determination, a full impact assessment should be undertaken. This said, the consensus of the ICT manufacturer and vendor community is that compliance with a new electronic registration system, voluntary or mandatory, would present significant costs to the industry. These added (and unnecessary costs) would include: required changes to regulatory compliance procedures internal to organizations, maintaining records submitted to the electronic depository (ensuring that uploaded documents are complete and/or accurate, for both the authorities and operators), impacts related to confidential information submitted to the electronic depository, registration fees associated with compliance and registration, etc.

#### **IV. Conclusion**

TIA supports the proposals put forward by DG-ENTR that would allow for the non-exclusive use of eLabeling for RF-emitting and terminal ICT equipment, and we urge for this allowance to be made in the Union as swiftly as possible.