Suruhanjaya Komunikasi dan Multimedia Malaysia
Malaysian Communications and Multimedia Commission

REPORT ON

MARKET SURVEILLANCE FOR CUSTOMER PREMISES EQUIPMENT (CPE) FOR 2021

Contents

INTRODUCTION

In ensuring the safety of the general public and protecting the network facilities and other equipment, all communications equipment must be certified in accordance with the Communications and Multimedia (Technical Standards) Regulations 2000 before the equipment can be placed on the market. The certification is performed based on the technical codes published by the Malaysian Communications and Multimedia Commission ("**MCMC**"), which cover the requirements of safety, interoperability, radio frequency and electromagnetic compatibility.

Market Surveillance is conducted periodically to monitor and ensure communications equipment in the market comply with the legal requirements and standards. It also helps to create a level playing field for all manufacturers and distributors by avoiding unfair competition from those who do not adhere to the stipulated requirements. This report presents the findings of the Market Surveillance for customer premises ("**CPE**") for 2021.

OBJECTIVE

The Market Surveillance consists of the industry engagement and evaluation of samples of CPEs purchased directly from the open market of which the main objectives are as follows:

a) To discuss and promote better understanding on the regulations, certification and importation process of communications equipment through engagements with the relevant stakeholders including sellers on e-commerce platforms; and

b) To evaluate and ensure CPEs placed in the market are in conformity with the specified requirements and are safe for use.

INDUSTRY ENGAGEMENT

The targeted stakeholders for the industry engagement conducted last year are members of Pertubuhan Peniaga Telekomunikasi Malaysia ("**PPTM**"), Automotive Accessories Associations ("**AAA**"), the National Technology Association of Malaysia ("**PIKOM**") as well as e-commerce platform providers and sellers.

Due to COVID-19 pandemic, the engagement sessions were conducted through online webinars (Microsoft Teams/Zoom). The total number of the participants are tabulated in **Table 1**.

Table 1: Summary of the number of participants

No.	Identified Associations and Online Platform	Participants
1.	Pertubuhan Peniaga Telekomunikasi Malaysia	162
2.	Automotive Accessories Associations	86
3.	The National Technology Association of Malaysia	65
4.	Online e-commerce Platform	12
	Total	**325**

MARKET SURVEILLANCE OF CPEs

Sampling Plan

The samples of CPEs were purchased randomly at online platforms such as Lazada, Shopee and PrestoMall based on predetermined product categories. A total of 76 samples were purchased during the exercise. It involved 60 models covering 15 product categories. Details of the sampling plan can be found in **Annex 1**.

The purchase of the samples was done based on type of sellers and popularity. The period of the purchase and distribution of the sampling plan for each online platform is shown in the **Table 2.**

Table 2: Period of Purchase and Distribution of Sampling Plan

| Batch	Period of Purchase	Online Platforms	No. of Models	No. of Samples
1	1 May to 30 Sept 2021	Lazada	15	19
2	1 May to 30 Sept 2021	Shopee	15	19
3	1 Aug to 15 Nov 2021	Presto Mall	4	5
4	1 Aug to 15 Nov 2021	Shopee	11	14
5	1 Aug to 30 Nov 2021	Lazada	15	19
		Total	**60**	**76**

Evaluation Criteria

The samples were evaluated to determine the compliance to the legal requirements and standards with respect to the following:

a) The certification status of the models;
b) The results of laboratory testing covering Radio Frequency (RF), Electromagnetic Compatibility (EMC) and safety for pre-identified critical parameters of the relevant standards; and
c) Labelling status.

Findings

The overall results for the certification, lab testing and labelling are depicted in **Figure 1**.

Overall Results of Market Surveillance 2021 (%)
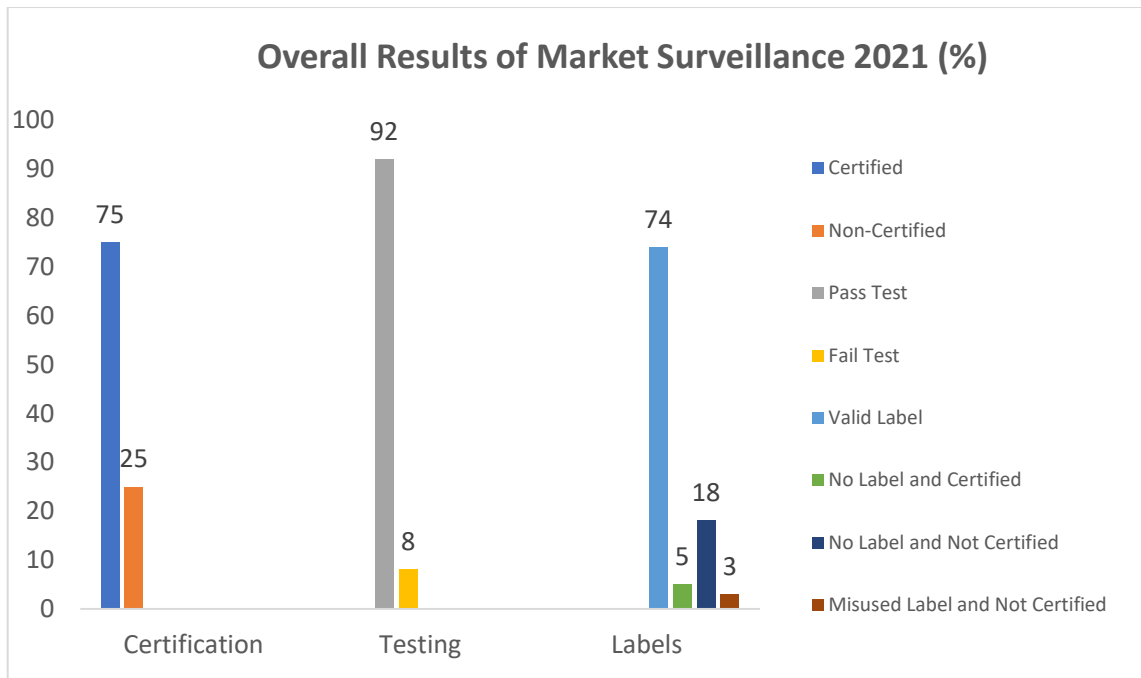
	Certified	Non-Certified	Pass Test	Fail Test	Valid Label	No Label and Certified	No Label and Not Certified	Misused Label and Not Certified
Certification	45 (75%)	15 (25%)	-	-	-	-	-	-
Testing	-	-	55 (92%)	5 (8%)	-	-	-	-
Labels	-	-	-	-	56 (74%)	4 (5%)	14 (18%)	2 (3%)

Notes:
1. The certification and testing results are calculated based on the number of models (60), while the labelling is calculated based on the number of samples (76).
2. Misused label refers to a label that is registered for a different model.

Figure 1: Overall Results of Market Surveillance 2021

The overall trend for the results of the market surveillance exercises conducted since 2012 is depicted in **Figure 2**.
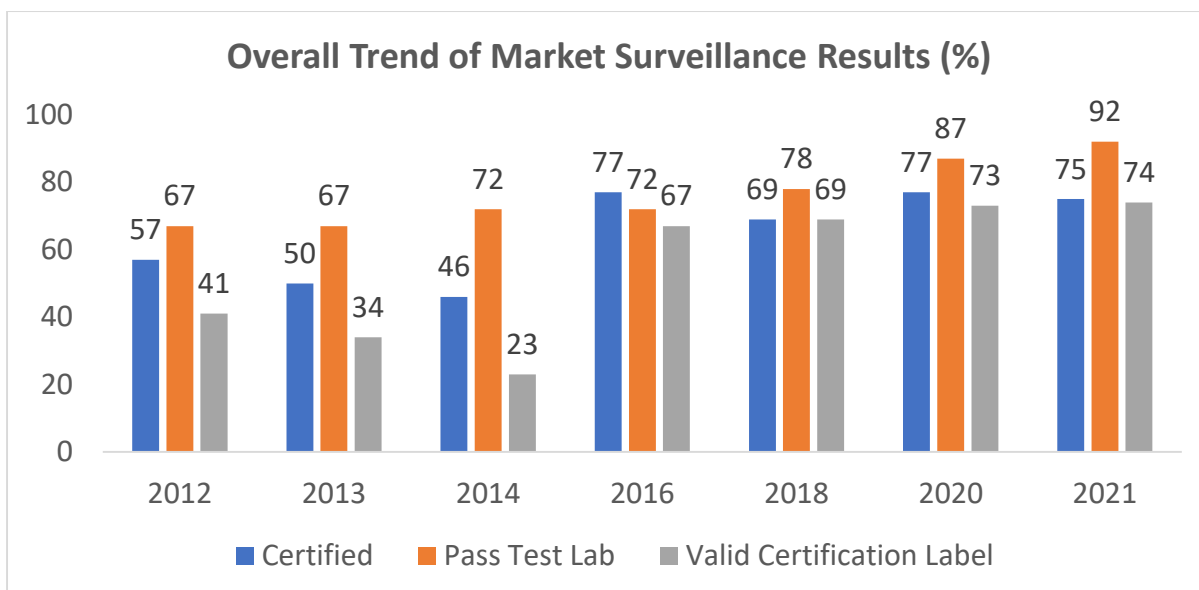
Figure 2: Overall trend of Market Surveillance Results (2012 -2021)

In general, the results of the market surveillance have been consistent for the last four (4) exercises. The results also show that most of the certified models come with valid certification labels. The percentage of passed lab tests for products bought on e-commerce platforms last year is significantly higher than the percentage of certified models.

Actions for Non-Compliances

Actions for non-compliances found during the market surveillance in 2021 have been pursued, and they are divided into two (2) categories as follows:

No.	Categories	Actions
1.	Non-compliances involving certified products	Corrective and preventive actions against the certificate holders: ▪ Four (4) cases for Phase 1 ▪ Six (6) cases for Phase 2
2.	Non-compliances involving non-certified products	Issuance of First Information Report (FIR) for legal actions against the suppliers: ▪ Seven (7) cases for Phase 1 ▪ Eight (8) cases for Phase 2

Since the inception of the exercise in 2012, a total of 175 cases of non-compliances involving non-certified products and other offences have been investigated by MCMC. Based on the investigation, 52% of the cases were charged and penalised by the court, 6% were compounded while others are at various stages of legal actions.

CONCLUSION

The results of the Market Surveillance provide useful insights on the level of compliance of communications equipment in the market. The information gathered aids MCMC in identifying the areas for improvement in order to promote compliance of communications equipment in the market.

When purchasing communications equipment, consumers should always be careful and ensure that the communications equipment are certified and have the MCMC label. Consumers are also encouraged to use the Check Your Label mobile application to verify the certification label's legitimacy. For more information, visit https://cyl.mcmc.gov.my.

SAMPLING PLAN FOR MARKET SURVEILLANCE 2021

No.	Product	No. of Models	Phase 1		Phase 2		
			Lazada	Shopee	PrestoMall	Shopee	Lazada
	Cellular:						
1	Smartphone	4	1(2)	1(2)	1(2)		1(2)
	Hybrid						
2	a) Digital TV	4	1	1		1	1
3	b) Hybrid Camera	4	1	1		1	1
4	c) Hybrid Wearables	4	1	1		1	1
5	d) Wireless/Smart Switch	4	1	1		1	1
6	e) Hybrid Vacuum Cleaner/Robotic		1	1		1	1
	Computer:						
7	a) Laptop	4	1	1		1	1
8	b) Tablet	4	1(2)	1(2)		1(2)	1(2)
	Mobile Radio:						
9	Walkie-talkie (FRS)	4	1(2)	1(2)		1(2)	1(2)
	PSTN:						
10	Cordless Telephone	4	1(2)	1(2)		1(2)	1(2)
	Short Range Device (SRD):						
11	a) WiFi Transceiver	4	1	1	1		1
12	b) RFID	4	1	1		1	1
13	c) Wireless Media Player	4	1	1		1	1
14	d) Wireless Microphone	4	1	1	1		1
15	e) Wireless Speaker	4	1	1	1		1
	TOTAL*	**60**	**19**	**19**	**5**	**14**	**19**

*The total number of samples are 76.