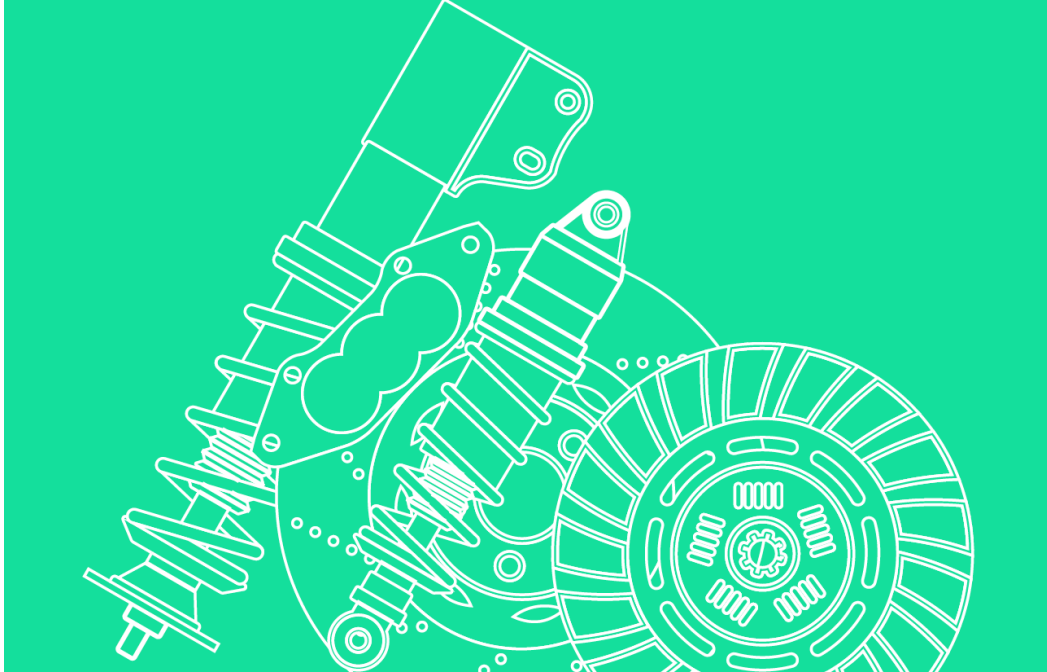


SASO Regulations for Auto Spare Parts

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Introduction

In recent years the Saudi Standards Metrology and Quality Organization ('SASO') has taken steps to streamline its product clearance and entry requirements with international best practices. To this end, on 1 January 2019, SASO launched a new online platform (namely SABER) to implement its product certification programme for all imported consumer related products. This launch also witnessed SASO's introduction of a new Saudi Product Safety Programme ('SALEEM') The following article briefly examines the new changes, which SASO has introduced in the context of launching the SABER online portal, and, which affect the automobile industry.

What Does SALEEM Do?

SALEEM is a series list of technical regulations, which SASO previously and more recently issued to regulate and enforce the SASO standards in respect of various types of goods/products. The current/up to date list of regulations in force is available on the SASO website.

The SALEEM series list is certainly not exhaustive as SASO has yet to pass the relevant technical regulations for all types of products. Additionally, not all products have SASO standards which govern them as the introduction of such standards continues to be a work in progress. In the absence of such standards and technical regulations, SALEEM would be inapplicable.

Relevance to the Automobile Industry

For interested stakeholders in the automobile industry, the SALEEM list does include the SASO Regulations for Auto Spare Parts. These SASO Regulations subject all spare parts (whether imported or locally

manufactured) to a conformity process and testing. In this respect, the Regulations distinguish between two types of conformity processes: (a) the certification of conformity; and, (b) the declaration of conformity. The Regulations also divide spare parts into two categories: (a) classified; and, (b) unclassified. The Regulations' classification of spare parts determines which of the two processes mentioned above will apply to them. Classified spare parts will require a certification of conformity whereas unclassified spare parts will require a declaration of conformity. The process and documents required for completing each type of conformity differ on SABER pursuant to the SASO Regulations. For a step-by-step process to follow for compliance conformity purposes, SASO has helpfully issued guides and relevant video demos on its online web portal (<https://saber.sa/home/UserGuide>).

Where SALEEM is Inapplicable

Products, including auto spare parts, for which no standards or, technical regulations exist and which are entering the KSA would still be subject to a conformity process testing. In such cases, the KSA Customs ought to refer a sample of the product in question to one of the SASO accredited labs for examination. The lab would examine the sample with the aim of determining which standards apply to similar products, and which may apply in this case. The lab would then issue a certificate of examination that verifies if the product is compliant. To initiate the referral of the sample for examination importers would need to submit a declaration of conformity application via SABER.

Impact on Counterfeiting Auto Spare Parts

One of SABER's aims is to reduce the influx of counterfeit products that affect consumer safety. In this respect, the SASO Auto Spare Part Regulations hold all importers of spare parts liable for ensuring that they source the parts from factories, which are licensed to produce them in the country of origin. To this end, the Regulations prohibit the import of auto spare parts, which bear counterfeit marks and any other false misleading commercial indications.

Moreover, as the conformity process is extensive for classified/regulated products, the impact on the ability of traders to import counterfeits of such regulated spare parts should be significant. Counterfeit parts are often inferior in quality and therefore should not pass the tests and meet the criteria which the SASO Auto Spare Part Regulations have imposed. However, the SASO Auto Spare Part Regulations do distinguish between 'genuine parts' and 'commercial parts' which are normally cheaper to obtain in the Saudi market than genuine parts. The definition for each under the Regulations is as follows.

"Genuine spare parts are parts, which have been designed and manufactured in accordance with the standards and specifications of the manufacturer of the vehicle for the performance of a function that the vehicle manufacturer has specified or that the spare part manufacture has specified according to the standards, specifications and quality assurance system of the vehicle manufacturer."

"Commercial parts are auto spare parts, which have been manufactured in accordance with any international, European, country of origin standards, or the standards of the spare parts manufacturer and which meet the performance requirements of the vehicle manufacturer in accordance with the standards set out in SASO GSO 1712."

Theoretically, it would be possible to envisage a scenario where a trader, who intends to increase their margin of profit, imports regulated commercial parts, which:

1. do not bear any false or misleading commercial indication before and at the time of entry to the KSA;
2. satisfy the Regulations' conditions for entry in to the KSA;
3. the trader/importer has registered on SABER;
4. have duly been issued a certificate of conformity and shipment certificate; and
5. after entry in to the KSA have their labelling changed to bear counterfeit marks and other false/misleading commercial indications.

Conversely, too, for unclassified/unregulated spare parts, SASO's envisaged impact on counterfeiting may not be as significant as the self-declaration conformity process for such parts is evidently less stringent. The above scenario for such parts would therefore be more plausible too. To better monitor import activities, the SASO Auto Spare Part Regulations do however prohibit Saudi importers of genuine auto spare parts from importing commercial auto spare parts. Therefore, the risk of foul play as envisaged in the above possible scenario ought to be more limited to importers of commercial auto spare parts and/or only cases where the spare parts are unclassified/unregulated.

Lastly, the increased Saudi regulation of auto spare parts may prompt a spur in cross-border smuggling activities, which could result in a higher influx of counterfeits. The SASO Auto Spare Part Regulations do authorise local law enforcement authorities in the KSA to monitor the Saudi spare parts market and seize any products, which breach the Regulations. Therefore, much would depend on the level and efficacy of this enforcement.

Conclusion

SASO's increased efforts to streamline its product clearance and entry requirements with international best practices are certainly improving the products regulation regime in the KSA. This improvement, through the introduction of modern technical tools such as SABER and SALEEM, is specifically evident in the automobile industry. Though more room for improvement exists, SASO's efforts in this regard are helping to reduce the influx of counterfeit auto spare parts that affect consumer safety.

Al Tamimi & Company's [Intellectual Property team](#) regularly advises on product registration and clearance requirements in the KSA. For further information please contact [Bachir A Chakra](#) (b.chakra@tamimi.com).