

Quality Alert 23-89 – Counterfeit / Poor Quality Products

Background

Counterfeit components can cause a significant issue as even the smallest of counterfeit components can bring a project to a halt or endanger life.

Counterfeit Material is material whose origin, age, composition, configuration, certification status or other characteristic (including whether or not the material has been used previously) has been falsely represented by:

- misleading marking of the material, labelling or packaging
- misleading documentation; or
- any other means, including failing to disclose information

Except where it has been demonstrated that the misinterpretation was not the result of dishonesty by a supplier or sub-supplier within the supply chain.

Actions:

To safeguard against counterfeit and poor-quality products being procured and installed on our sites, ensure the following steps are routinely followed:

- Only use Approved Suppliers on IFS to procure products.
- Check the product (if required) has a CE or UKCA or UKNI (Northern Ireland) mark
- Ensure deliveries are only received direct from the supplier or one of their 3rd party approved distributors. If not, query this with the supplier.
- Visually inspect items for:
 - Poor grammar or spelling on the product or in any manuals
 - Differences in appearance such as poor replications of logos
 - Items without packaging or with poor packaging
- If you have any suspicions regarding counterfeit goods, inform the Project Manager and quarantine the items until further investigations can be carried out.
- Delivery inspections are carried out upon arrival and recorded using A02 Delivery Inspection checklist on BIM360 Field. For further details see CD15 Control of Goods.
- High Risk Items (e.g. those crucial to the project or programme, bespoke equipment and products with long lead times) are ordered with float in the programme to allow for any issues to be rectified prior to installation.
- High Risk items are inspected at the supplier's works. This should be planned using the Project Inspection and Test Plan (CDFR02-03). A01 Pre-Dispatch Inspection and Witness Test can be used to record the inspection, or any other expediting report or Factory Acceptance Test report, as long as this is indicated on the ITP.
- Report all product non conformances on ActivSHEQ and attach photographic evidence of the defects, to allow the SHEQ teams to be aware of any issues.
- The Chartered Institute of Procurement and Supply have highlighted some of the issues that can occur due to Counterfeit products and what pitfalls to avoid which can be found here – <https://www.cips.org/knowledge/procurement-topics-and-skills/risk-mitigation/counterfeit/why-counterfeit-is-a-genuine-problem/>.

TOP 10 COUNTERFEIT CONSTRUCTION GOODS	
1	Steel
2	Fasteners
3	Valves
4	Pipe
5	Circuit Breakers
6	Rotating Equipment Parts
7	Electric Equipment
8	Pipe Fittings
9	Pressure Vessels
10	Cement
SOURCE: CONSTRUCTION INDUSTRY INSTITUTE	



