



Detecting, preventing and dealing with counterfeit and fraudulent items (CFI): adapting the oversight processes

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Historical background

- Irregularities which could be considered as falsifications were detected in early 2016 on nuclear components manufactured in the Creusot Forge plant, following a quality review requested by ASN.
- Neither the monitoring and inspection chain, nor the high level of quality demanded in the nuclear industry were able to completely rule out the risk of CFI.

Historical background

French experience to date has shown that CFI can be found within the whole specter of stakeholders :

- ✓ manufacturers and factories, at the very first levels of the supply chain;
- ✓ third party or certified bodies;
- ✓ contractors on nuclear sites;
- ✓ licensees and operators...



French reassessment

In order to deter and prevent fraud and falsification, ASN set up an internal working group and conducted benchmarks with international peers and some pertinent french regulators (drug safety administration for instance).



Action plan

Our reflection ended with a 5 step action plan:

- reinforcing the provisions made by the manufacturers and the licensees ;
- using external inspection organizations ;
- improving ASN's oversight practices ;
- requiring licensees to report systematically to ASN any fraud detected ;
- implementing a system for collecting alerts from whistleblowers ;



Adapting regulation

- ASN conducted an assessment of current regulation to check whether this regulation was sufficient to prevent CFI
- No immediate need for improvement was detected
- A letter was sent to operators and equipment manufacturers in May 2018, detailing how the current regulation had to be implemented in the field of CFI prevention and detection.



Being informed and informing

- In November 2018, ASN implemented a page on its website dedicated to whistleblowers
- Information can be sent with whistleblower's coordinates, or anonymously
- Since then, we have received 50 reports, including 24 via the portal. All these reports are not related to fraud.



Being informed and informing

- Each report is anonymized and then examined by an ad-hoc commission
- The commission decides what will be done with the report
- If the whistleblower left his coordinates, feedback can be procured



Being informed and informing

- Communication between operators and ASN concerning CFI is effective today
- One suspicious case, reported by an operator, has been proven to be an actual CFI case by another operator, who performed a supplier inspection after been informed of the potential case
- ASN is working on a way to facilitate communication between operators in a confidential manner.



Inspecting

- Specific inspection programs have been set up in order to detect fraudulent activities in facilities (example : name falsification on hold point signature)
- These programs have been tested and then provided to ASN inspectors
- Each ASN regional division is required to perform an inspection on CFI this year. These inspections have already shown incorrect practices in facilities.



Inspecting

- ASN also initiated a series of inspections designed to verify how the nuclear licensees incorporate prevention of the risk of fraud into their supply chain policy.
- ASN is currently investigating the possibility to partially replay some periodic tests
- ASN will soon perform inspections on data integrity (papers/information systems)



Perspectives

- ASN will include in its inspection systems good practises from other french inspection bodies, or from other nuclear regulators
- A training kit will be built next year in order to train inspectors to detect falsified documents
- ASN is still working on the ways to use third party bodies in CFI



Thank you for your attention