Firstly, let's start with a definition of each:

- The Declaration of Conformity is a document which states that the product complies with the essential requirements of the relevant standards. It must be signed by someone with suitable authority and its purpose is to make sure that someone has taken responsibility for ensuring that the directives have been complied with. All CE marked equipment sold to an end user must have a Declaration of Conformity although whether a copy has to be actually supplied with each product depends on the particular directives under which the CE mark has been applied.

- The Declaration of Incorporation is used where the vendor cannot sign a Declaration of Conformity because (and only because) the product is incomplete and is designed to be incorporated into other apparatus which will then be CE marked before it is supplied to an end user. The provisions for requiring a signature are the same as for the Declaration of Conformity, but the actual implications of the document and its wording are quite different. What the Declaration of Incorporation implies is that equipment is incomplete and therefore cannot be CE marked so someone else must take responsibility for CE marking it before it is passed to an end user.

There is currently some debate as to whether the Declaration of Incorporation is a way in which a manufacturer can avoid having to do anything to make a product comply with the directives. The alternative view is that the manufacturer of products supplied under the Declaration of Incorporation should do everything which they can to ensure that their product complies with those aspects of the directive which they have control over. The typical example is a supplier of small petrol engines who sells their product to a lawn mower manufacturer. In the former approach, the engine manufacturer can simply abrogate all responsibility for the safety of the engine. In the latter view, the engine manufacturer must take responsibility for all those aspects of the engine design which they have control over (e.g. access to hot parts of the exhaust, guarding for the flywheel etc) and it is only those aspects over which they have no control (e.g. guarding for the output drive shaft) which are specifically the responsibility of the lawn mower manufacturer.

However, to a large extent this is probably an academic point so far as you are concerned since the only directive which contains a provision for a Declaration of Incorporation is the Machinery Directive 98/37/EC (http://www.conformance.co.uk/directives/ce_machinery.php). None of the other CE marking directives (including the LVD and EMC Directives) has a provision for a Declaration of Incorporation so you cannot use it for products which are not within the scope of the machinery directive. Even where products are within the scope of the machinery directive, those aspects of the product which are within the scope of other directives, such as the LVD, Machinery or Gas Appliances directive, must be the subject of a Declaration of Conformity and the product must carry the CE mark accordingly.

For further information, please see the following webpages:

http://www.conformance.co.uk/directives/ce_declaration.php
http://www.conformance.co.uk/directives/ce_mecdec.php