The context and function of PECAS Paul de Lusignan European Commission, DG Trade

The context and function of PECAs

- Legal basis: Europe Agreements
- The purpose of a PECA
- What PECAs are in place?
- What PECAs are planned?
- Mutual acceptance of products
- Mutual recognition of conformity assessment

Legal and administrative basis

- PECA: Protocol to the Europe Agreement on Conformity Assessment
- Depends on Article 310 (formerly Article 238) of the EC Treaty allowing the Community to establish associations with one or more States or international organisations

Europe Agreements

- Create an association between the Community and the Member States
- Purpose of a Europe Agreement
 - To provide a framework for dialogue;
 - Gradually establish a free trade area;
 - Establish rules, policies and practices as a basis for integration into the Community.

Scope of Europe Agreements

• Coverage is very broad -

- specifically includes co-operation on industrial standards, and
- specifically calls for mutual recognition agreements.
- Signed with all candidate countries
 - the agreements with Malta, Cyprus and Turkey are somewhat different

The purpose of a PECA

- Agreements with candidate countries by which mutual recognition operates on the basis of the *acquis communautaire*.
- Extends the benefits of the internal market and ensures effective operation before accession
- Recognises advances that candidate countries have made in aligning their legislation and practices.

What PECAs are in force?

HungaryCzech RepublicLatvia

Lithuania

What PECAs are in place or planned?

- Slovenia: signed, ratification in progress
- Estonia, Slovakia: initialled
- Malta: initialled (slightly different agreement "ACAA")
- Poland, Bulgaria, Romania: under negotiation

Mutual recognition of conformity assessment - I

- Clause 1.2 of the standard PECA
- As soon as the national legislation and practice of the applicant country is aligned with those of the EC, manufacturers may have their products certified either in the country of origin or of destination, against aligned standards, technical requirements and procedures.

Mutual recognition of conformity assessment - II

- Particularly applicable to sectors under New Approach Directives, notably where there are certification requirements.
- For example, the Medical Devices Directive

The structure of a PECA

- "Framework" agreement establishes general principles and procedures, similar for all countries that have signed a PECA
- Sectoral annexes fix details of the various technical sectors

How are the subjects chosen?

- selected in the light of the level of implementation of EC technical legislation by the candidate country.
- Detailed examination of the candidate country's
 - Horizontal legislation
 - Infrastructure (standards, accreditation, conformity assessment, market surveillance
 - Sectoral legislation

Type of annexes agreed

 all sectoral annexes are based on mutual recognition of conformity assessment

Extending PECAs

- Can be done by decision of the Association Council or Association Committee
- Less elaborate procedure than for a new Agreement
- Minimum six months in full operation to be worth while

Origin

- Czech Republic, Hungary: Restricted to products originating in the Parties; but agreement to withdraw this provision initialled
- Other Agreements: No restriction as to origin

Safeguard clause

- Action by the Parties to ensure that noncomplying products are withdrawn from the market;
- Discussion in the Association Council to resolve the problem

PECAs and MRAs

- PECAs have some features in common with MRAs
 - mutual recognition of certification
 - acceptance of nomination by the other Party
- But PECAs are based on *common regulations and standards*

Mutual acceptance of products

- Clause 1.1 of the standard PECA
- Provides for the *mutual acceptance* of industrial products legally placed on the market in the territory of the parties.
- This covers technical regulations:
 - product characteristics and
 - related processes and production methods (including. administrative provisions).

The PECA on conformity assessment - I

- Generally covers a sector governed by a New Approach Directive
- Requires transposition of the Directive in the candidate country
- Requires transposition of the relevant "harmonised" European Standards

The PECA on conformity assessment - II

- Allows exporters on both territories to test and certify industrial products to harmonised requirements, and then gain access to both markets without further conformity assessment requirements.
- Requires recognition of Notified Bodies in the candidate countries

Acceptance of Notified Bodies

- Exchange of lists before implementation
- Candidate countries bodies are assessed on the basis of accreditation
 - Accredited by European Co-operation for Accreditation (EA) MLA signatory: no assessment
 - Accredited by other EA Member: paper assessment by the Commission's contractor
 - Others: Full assessment including a site visit

Conclusion

- PECAs extend the single market in the sectors in which they operate
- They demonstrate *confidence* in the system of the candidate country
- They recognise the progress made by candidate countries in adopting the *acquis*