SUMMARY PROJECT FICHE

1. **BASIC INFORMATION**

1.1 **Désirée Number:**
1.2 **Title:** Capacity building for Accreditation and the New Approach Directives
1.3 **Sector:** Internal Market – Free Movement of Goods
1.4 **Location:** Ministry of Commerce, Industry and Tourism, Nicosia, Cyprus

2. **OBJECTIVES**

2.1 **Overall Objective(s):**
Integration of Cyprus in the Internal Market regarding the Free Movement of Goods.

2.2 **Project Purpose:**
To complete the legislative framework and to support the implementation of the Accreditation and the New Approach Directives.

2.3 **Accession Partnership and NPAA priority**

**Accession Partnership**
The combination of two interrelated tasks within the project focusing at the Internal Market and the Free Movement of Goods

**Short-term priorities**
Strengthen administrative structures in Accreditation and continue transposition of New Approach Directives

**Medium-term priorities**
Continue/complete transposition of Directives for machines, lifts, gas appliances, electric equipment, medical devices and personal protective equipment.

**NPAA**
The NPAA gives priority to the introduction of measures necessary for the efficient transposition of the New Approach Directives and the establishment of the Internal Market without frontiers.

**Short-term priorities**
- Preparatory measures for the transposition and implementation of the New Approach Directives (i.e. assignment of responsibilities to Ministries, establishment of necessary structures, etc),

**Medium-term priorities**

- **Conformity assessment**
  - Enactment of legislation relating to the application of an efficient standardisation and conformity assessment system, providing for a clear distinction between standardisation, certification and accreditation.
  - Building up of a system of notified bodies. Designation of Notifying Authorities (i.e. the administrative authorities responsible for designating notified bodies) and appointment of Notified Bodies/Certification bodies which will carry out the tasks pertaining to the conformity assessment procedures, as provided in the New Approach Directives.

- **Market Surveillance**
  - Enhancement of administrative structures regarding market surveillance with particular emphasis on the training of personnel engaged in related activities.

3. **DESCRIPTION**

3.1 **Background and justification:**
The national body responsible for the promotion of standardisation activities in Cyprus is the Cyprus Organisation for Standards and Control Quality (CYS), which was established in 1975. CYS is an affiliate member of CEN (the European Committee for Standardisation) and of CENELEC (the European Committee for Electrotechnical Standardisation) and full member of ETSI (the European Telecommunication Standards Institute).
In Cyprus, the target to inform and increase the awareness of laboratory society has been considered as a main priority. In this context, CYPRUSLAB was established in 1994 under CYS, as network of all laboratories and other relevant institutions in the field. Soon afterwards CYPRUSLAB became an associated member of EUROLAB (the European Federation of National Associations of Measurement, Testing and Analytical Laboratories). It numbers today more than 100 members. In parallel, links have been established with EURACHEM (a network of analytical chemistry in Europe) and the Cyprus Committee is now a full member of EURACHEM. CYS attends EA (European Accreditation) activities as observer and is an associated member of ILAC (International Laboratory Accreditation Co-operation).

In 1995, CYS has signed a memorandum of co-operation in the area of certification with the Hellenic Organisation for Standardisation (ELOT) to carry out joint audits of Quality Systems to ISO 90000. CYS has also signed a co-operation agreement with the British Standard Institute (BSI) in the field of Management Quality System.

With respect to certification, two schemes are in operation in Cyprus: the first deals with product certification and, the second, with Quality systems ISO 9000. Both schemes are third-party certification activities and are administered by CYS. Both schemes are transparent, open to all interested entities and are of voluntary implementation. However, they are not yet in position to become accredited.

In order to facilitate the implementation of the EU Acquis in the area of standardisation and conformity assessment, a draft Law is currently under preparation, providing for a new status for CYS and including provisions for the establishment and operation of the Accreditation System and the introduction and application of the notification procedure (Directive 98/34/EC). The law is expected to be finalised during spring 2001.

The **New Approach Directives** introduce the need to establish a series of conformity assessment mechanisms and procedures, facilitating free movement of goods - without the need for successive testing in each EU Member State – and the operation of the internal market. The New Approach Directives have not been yet transposed into the legal system of Cyprus, and the conformity assessment procedure referred to in these Directives is not applicable.

According to the principles adopted by the Government, which are based on the experience of EU Member States, the co-ordinating authority for the adoption of the New approach Directives is the Ministry of Commerce, Industry and Tourism. A draft Framework Law is being prepared and is scheduled to be enacted as from 1/1/2002. Its full implementation will be effected as from the date of accession.

Different sets of Regulations will be issued under the framework law, providing for the transposition of each of the product groups of the new approach directives, namely:

<table>
<thead>
<tr>
<th>Subject</th>
<th>EC Directive</th>
<th>Subject</th>
<th>EC Directive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Explosives for Civil Uses</td>
<td>93/15/EEC</td>
<td>Gas Appliances</td>
<td>95/16/EC</td>
</tr>
<tr>
<td>Equipment used in potentially explosive</td>
<td>94/9/EC</td>
<td>Pressure Equipment</td>
<td>97/23/EC</td>
</tr>
<tr>
<td>atmospheres</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recreational Craft</td>
<td>94/25/EC</td>
<td>Refrigeration appliances</td>
<td>96/57/EC</td>
</tr>
<tr>
<td>Telecommunications terminal Equipment</td>
<td>98/13/EC</td>
<td>Radio and telecommunications terminal equipment</td>
<td>99/5/EC</td>
</tr>
</tbody>
</table>


2
The drafting stage for these regulations is scheduled to start in January 2001 and the approval by the House of Representatives, by mid 2002. All basic provisions/clauses of both the framework legislation and of the regulations, will remain inactive/dormant until the actual date of accession (such as the provisions for the nomination of notified bodies, the application of the conformity assessment procedures which lead to the affixing of CE marking, etc).

Various ministries will be involved in the preparation, administration and implementation of the harmonised legislation.

This project will support the completion of the legislative framework and the implementation of the Accreditation and the New Approach Directives, with the view to meet the requirements of the EU Acquis, in accordance with the timeschedules set out during the accession negotiations.

3.2 Linked activities:
A series of training activities have been organised with experts from the European Commission and European fora (e.g. EA, EMPA, Institute of Reference Materials and Measurements etc.). The experts gave also advice and support to promote the establishment of the necessary infrastructure and prepared a comprehensive report on the establishment of the Accreditation Scheme. A CYS officer has been trained as Lead Assessor, in UKAS, and has participated, as observer, in UKAS team assessing laboratories in UK and Greece.

3.3 Results:
Accreditation
• Set up of the necessary infrastructure (institution building)
• Plan for the establishment Accreditation Body, including GLP;
• Training programme for assessors/consultants/laboratory managers.

New Approach Directives
• Set up of the necessary infrastructure (institution building);
• Finalisation of relevant harmonised legislation;
• Plans for the market surveillance system;
• Training programme on the implementation and management of the New Approach Directives.

3.4 Activities:
3.4.1 Accreditation
The main objective of this component is to strengthen the capacity of the Ministry of Commerce, Industry and Tourism to manage and implement the legislation on, Accreditation as well as Good Laboratory Practice.
This project will therefore provide the following:
− Assessment of the existing legislative framework, laboratory capacity and identification of specific problems;
− Technical assistance for the amendment of the existing legislation and the enhancement of existing capacity with regard to the EU requirements;
− Advice on drafting/implementation of regulations on Accreditation, including the Good Laboratory Practice (GLP);
− Training programmes for assessors/consultants/laboratory managers, including practical joint assessments with Lead Assessors/trainers from European bodies.

3.4.2 New Approach Directives
This component aims at enhancing the capacity of all parties involved for the effective implementation of the New Approach Directives through:
• Improvement of the knowledge and the skills of competent Ministries in implementing the New Approach Directives;
• Establishment of an effective market surveillance network for the implementation of the Directives;
• Improvement of the ability of local industry to achieve conformity with the EU Acquis in this area;
• Ensuring the efficiency of local conformity assessment mechanisms;
• Increasing of awareness of local distributors/retailers of their responsibilities arising from the application of the EU Acquis.

This component will therefore provide
– Advice to the competent authorities on drafting/implementation of Framework Law and secondary legislation (regulations) on New Approach Directives;
– Guidance for the assessment of the existing situation: legislation (e.g. the General Safety Law, the Product Liability Law etc.), laboratory capacity, fields in which Notified Bodies could be established, existing market surveillance mechanisms etc.;
– Guidance for the evaluation of the efficiency of the legislative framework under preparation and advice on particular issues, e.g. overlap between authorities, products to meet requirements of more than one directive, market surveillance etc.
– Guidance for the assessment of local laboratories, as potential Notified Bodies (e.g. how to meet the criteria, how to assess);
– Training programme for competent authorities on the implementation and management of the New Approach Directives, including joint work on the implementation of relevant directives;
– Advice on the strategy to be followed to ensure that products regulated by New Approach Directives have free access both in EU and Cyprus market, prior to Cyprus accession to the EU (mutual recognition, reciprocity, protocols for European conformity assessment, third countries’ products etc).

4. INSTITUTIONAL FRAMEWORK

The Ministry of Commerce, Industry and Tourism is the institution within which the project will have to operate. This Ministry has a multidisciplinary scope, therefore is extensively involved in the harmonisation procedure. The main responsibilities relating to the project are the following:
– Standardisation, Accreditation and related activities (The Cyprus Organisation for Standards and Control of Quality – CYS);
  The organisation employs 10 technical scientists in various disciplines. To date, CYS has been mainly involved in standardisation and certification, as well as the promotion of accreditation. Upon the enactment of the new Law on CYS (see also section 3.1), the activities of CYS will concentrate on standardisation, notification and accreditation, while certification activities will be undertaken by a private company which will be established.
– Free Movement of Goods (Department of Industry);
  This department has the main responsibility for the Free Movement of Goods.
– Market Surveillance (Competition and Consumers Protection Division).
  This division has been involved, for many years, in market surveillance activities, as the competent authority for a series of legislation regarding consumer protection.

The Ministry of Commerce, Industry and Tourism will support the implementation of this project by assuring the necessary organisational environment, making available the necessary personnel and by covering the cost of the national experts, the required infrastructure and equipment, and the related running and administrative costs.

5. DETAILED BUDGET

(Million EURO)

<table>
<thead>
<tr>
<th>Component</th>
<th>Investment(^{(1)})</th>
<th>Institution Building(^{(2)})</th>
<th>Total Phare(^{(=I+IB)})</th>
<th>National co-financing</th>
<th>IFI</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Accreditation</td>
<td>0.10</td>
<td>0.10</td>
<td>0.01</td>
<td></td>
<td></td>
<td>0.11</td>
</tr>
<tr>
<td>2. New Approach Directives</td>
<td>0.50</td>
<td>0.50</td>
<td>0.05</td>
<td></td>
<td></td>
<td>0.55</td>
</tr>
<tr>
<td>TOTAL</td>
<td>0.60</td>
<td>0.60</td>
<td>0.06</td>
<td></td>
<td></td>
<td>0.66</td>
</tr>
</tbody>
</table>

\(^{(1)}\) - In relation to equipment, software, documentation and related services (installation, testing, training etc.);

\(^{(2)}\) - In relation to training, changes in organisation, procedures, legislation, etc.
6. **IMPLEMENTATION ARRANGEMENTS**

6.1 Implementing Agency

The Ministry of Commerce, Industry and Tourism will be the Implementing Agency for the project. The person responsible will be the Director of Industry.

A Project Steering Committee (PSC) will be set up, comprising senior representatives of the relevant Departments of the Ministry and the Planning Bureau. The PSC will supervise and co-ordinate the overall progress and implementation of this project component, will define priorities, will provide guidance and will approve the results. PSC will be chaired by the Director of Industry.

The Ministry of Commerce, Industry and Tourism will make available the personnel necessary for the management of the project.

6.2 Twinning

Due to timing reasons, essential in this crucial part of the harmonisation process for Cyprus, the twinning instrument cannot be used.

6.3 Non-standard aspects

The project will be managed according to the Decentralised Implementation system (DIS) rules.

6.4 Contracts

The project will be possibly implemented in contract(s) awarded through open tender procedures. The aim is to maximise the effectiveness and the coherence of the project activities, to facilitate the co-ordination, to exploit economies of scale and to reduce the administrative burden. A pre-condition for the award of the contract will be the selection of a project co-ordinator at the initial stage of the project implementation.

7. **IMPLEMENTATION SCHEDULE**

7.1 Start of tendering/call for proposals: April 2001

7.2 Start of project activity: September 2001

7.3 Project Completion: June 2002

8. **EQUAL OPPORTUNITY**

Article 28 of the Constitution safeguards the right of all persons to equality before the law, the administration and justice and for equal protection thereof and treatment thereby. Any direct or indirect discrimination against any person on the grounds, i.a. of his sex is prohibited.

Furthermore, the prevailing legislation with respect to equality of treatment for men and women is partly in conformity with the Acquis Communautaire. The following laws currently in force cover equality issues: the Equal Pay between Men and Women for Work of equal value Law (158/89), the Protection of Maternity Law (100(I)/97), the Termination of Employment Law 1967 (24/67) as amended, and the Commissioner for Administration Law (3/91) as amended. Cyprus has ratified by Law 39/62 the European Convention for the Protection of Human Rights and Fundamental freedoms. Various international conventions which guarantee equal rights between men and women have also been ratified. Harmonised legislation is under preparation and full compliance with the Acquis Communautaire will be gradually achieved by 1 January 2003.

The Ministry of Commerce, Industry and Tourism, which is the implementing agency for this project, is an equal opportunity employer.

9. **ENVIRONMENT** N/A

10. **RATES OF RETURN** N/A

11. **INVESTMENT CRITERIA** N/A

12. **CONDITIONALITY AND SEQUENCING**

The project includes two interrelated and overlapping fields to be studied, i.e. Accreditation (including also GLP) and New Approach Directives. The two parts can be promoted independently from one another and, in the case of Accreditation, GLP could also be dealt with separately.

The approval of this project is conditional to the strict respect by the Cypriot authorities of their commitments in terms of harmonisation of legislation in the field, as made through the NPAA and the negotiations (especially the legislative framework on new approach directives).
ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
### LOGFRAME PLANNING MATRIX

**PROJECT:**

**CAPACITY BUILDING FOR ACCREDITATION AND THE NEW APPROACH DIRECTIVES**

<table>
<thead>
<tr>
<th></th>
<th>Contracting period expires:</th>
<th>Disbursement period expires:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>September 2003</td>
<td>September 2004</td>
</tr>
</tbody>
</table>

**Total Budget:** 0.66 MEURO  
**EU contribution:** 0.60 MEURO

<table>
<thead>
<tr>
<th><strong>Overall Objective</strong></th>
<th><strong>Objectively Verifiable Indicators</strong></th>
<th><strong>Sources of verification</strong></th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th><strong>Project Purpose</strong></th>
<th><strong>Objectively verifiable indicators</strong></th>
<th><strong>Sources of Verification</strong></th>
<th><strong>Assumptions</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>To complete the legislative framework and to support the implementation of the Accreditation and the New Approach Directives.</td>
<td>Legislation fully harmonised. Conformity assessment mechanisms in place.</td>
<td>Regular ministerial reports, as part of the Screening process. Reports of the trade community.</td>
<td>Proper implementation of Harmonised Law. Proper functioning of Co-ordinating Committee. Support from other relevant institutions.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Results</strong></th>
<th><strong>Objectively verifiable indicators</strong></th>
<th><strong>Sources of Verification</strong></th>
<th><strong>Assumptions</strong></th>
</tr>
</thead>
</table>
| **1. Accreditation** | - Set up of necessary infrastructure (institution building);  
- Plan for the establishment Accreditation Body, including GLP;  
- Training programme for assessors/consultants/laboratory managers. | Experts’ report on how to set up the necessary infrastructure submitted;  
Plan elaborated and used by the relevant authorities;  
Training programme designed, developed and delivered. | Published plans and experts’ reports.  
Training materials.  
Evaluation questionnaires fulfilled by the trainees. | Effective co-operation with the relevant players involved, e.g. Ministries and other institutions.  
Availability of staff for training.  
Availability of qualified personnel. Retain trained personnel. |
| **2. New Approach Directives** | - Set up of necessary infrastructure (institution building);  
- Finalisation of relevant harmonised legislation;  
- Plans for the market surveillance system;  
- Training programme on the implementation and management of the New Approach Directives. | Experts’ report on how to set up the necessary infrastructure submitted;  
Harmonised legislation drafted and submitted to the House of Representatives  
Market surveillance system plan elaborated;  | Published legislation, plans and experts’ reports.  
Training materials.  
Evaluation questionnaires fulfilled by the trainees.  
Regular reports of Cyprus | Effective co-operation with the relevant players involved, e.g. Ministries and other institutions.  
Availability of staff for training.  
Availability of qualified personnel. Retain trained personnel. |
### ANNEX 1

<table>
<thead>
<tr>
<th>Activities</th>
<th>Resources</th>
<th>Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Accreditation</strong>&lt;br&gt;• Assessment of the existing legislative framework and amendment of the existing legislation with regard to the EU requirements;&lt;br&gt;• Drafting/implementation of regulations on accreditation, including GLP;&lt;br&gt;• <strong>Assessment of the existing capacity and advice on</strong> the enhancement of existing capacity with regard to the EU requirements;&lt;br&gt;• Training of assessors/consultants/laboratory managers.</td>
<td>Framework contract or Technical assistance contract awarded as result of open tender procedure.</td>
<td>Full commitment of the parties involved. Timely and adequate resources available. Effective monitoring of project implementation.</td>
</tr>
<tr>
<td><strong>2. New Approach Directives</strong>&lt;br&gt;• Implementation of Framework Law and drafting/implementation of secondary legislation (regulations) on New Approach Directives;&lt;br&gt;• Assessment of the existing legislation, laboratory capacity, fields in which Notified Bodies could be established, existing market surveillance mechanisms etc.;&lt;br&gt;• Evaluation of the efficiency of the legislative framework under preparation;&lt;br&gt;• Assessment of local laboratories, as potential Notified Bodies;&lt;br&gt;• Training on the implementation and management of the New Approach Directives;&lt;br&gt;• Advice on the strategy to be followed to ensure that products regulated by New Approach Directives have free access both in EU and Cyprus market, prior to Cyprus accession to EU.</td>
<td>Technical assistance contract awarded as result of open tender procedure.</td>
<td>Full commitment of the parties involved. Timely and adequate resources available. Effective monitoring of project implementation.</td>
</tr>
</tbody>
</table>
ANNEX 1

Political commitment for EU accession.
National legislation in line with EU legislation and best practice enacted.
Budgets approved and available.
### ANNEX 2

**DETAILED TIME IMPLEMENTATION CHART FOR THE PROJECT**

**CAPACITY BUILDING FOR ACCREDITATION AND THE NEW APPROACH DIRECTIVES**

<table>
<thead>
<tr>
<th>COMPONENT</th>
<th>2001</th>
<th>2002</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>J</td>
<td>A</td>
</tr>
<tr>
<td>1. Accreditation</td>
<td>D</td>
<td>D</td>
</tr>
</tbody>
</table>

D = Design  
C = Contracting  
I = Implementation  
X = Closure
## CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE

**CAPACITY BUILDING FOR ACCREDITATION AND THE NEW APPROACH DIRECTIVES**

<table>
<thead>
<tr>
<th></th>
<th>31/12/2001</th>
<th>31/03/2002</th>
<th>31/06/2002</th>
<th>30/09/2002</th>
<th>31/12/2002</th>
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<tr>
<td>DISBURSEMENT</td>
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