Standard Summary Project Fiche

Project number: TR 0302.01
Twinning number: TR03-EC-01

1. Basic Information

1.1 Title: Support to the Turkish Conformity Assessment Bodies and the Ministry of Industry and Trade in the implementation of some New Approach Directives.

1.2 Sector: Internal market

1.3 Location: Various Provinces of Turkey

2. Objectives

2.1 Overall Objective(s):

The overall objective of the project is to contribute to the implementation of the EU *acquis communautaire* in the area of internal market, specifically focusing on the creation of a functioning network of conformity assessment bodies and market surveillance support laboratories.

2.2 Project purpose:

Strengthening of the national system of Conformity Assessment Bodies (CABs) and market surveillance support laboratories in the selected priority areas: LVD, EMC, Telecom, Machinery, Pressure Equipment, Pressure Vessels, Toys, Medical Devices and Detergents, ensuring that they are equipped and capable autonomously to carry out the relevant conformity assessment procedures.

Strengthening the capacity of the Ministry of Industry and Trade for market surveillance.

2.3 Accession Partnership and NPAA priority

A short-term priority under the free movement of goods heading of the Accession Partnership (AP) 2003 in terms of removing technical barriers to trade, accelerating alignment and application of European standards and ensuring effective in-market control and free movement of goods in line with internal market legislation. The AP, under its short-term priorities, explicitly includes starting implementation of certification and conformity assessment with the New and Global Approach Directives; reinforcing existing market surveillance and conformity assessment structures with equipment and training and creating compatible administrative infrastructure. AP gives the completion of alignment with the acquis and the completion of strengthening existing certification and market surveillance structures as a medium-term priority. The existing National Programme for the Adoption of the Acquis (NPAA) gives the completion of the whole conformity assessment and market surveillance structures as a medium-term priority. The NPAA for 2003 is expected soon.
3. Description

3.1 Background and justification

The conclusions of the Helsinki European Council in December 1999 recognised Turkey as a candidate for membership to the European Union. As a candidate country Turkey has to approximate the whole body of EU legislation known as the *acquis communautaire*.

For the approximation of legislation in the area of Free Movement of Goods, Turkey has a head start due to the existence, since 1996, of the Customs Union between Turkey and the EU. According to Decision 1/95 of the EC-Turkey Association Council, completing the Customs Union, Turkey had to finalise, before the end of 2000, the harmonisation of its technical legislation, in areas of direct relevance to the Customs Union.

In line with the Association Council Decisions № 1/95 and 2/97, a Framework Law relating to the preparation and implementation of the technical legislation regarding products has entered into force on 11 January 2002. The Law was adopted by the Parliament on 29.06.2001 and published in the Official Gazette on 11 July 2001. This Framework Law establishes the legal basis for full harmonisation with the EC legislation, and it lays down the basic principles for product safety and the implementation of Old and New Approach Directives. It sets out the conditions of the placing on the market of the products, the liabilities of the producers and distributors, the conformity assessment bodies, notified bodies, market surveillance and inspection, the prohibition of the placing on the market of certain products, the withdrawal and destruction of the marketed products as well as the notifications relating to these arrangements.

The Framework Law is complemented by five pieces of secondary legislation (by-laws) in order to become operational on the ground:

(i) market surveillance and control of the products,

(ii) use and affixing of the CE conformity mark,

(iii) working principles and procedures for the conformity assessment bodies and notified bodies and their assignments,

(iv) exchange of information on national measures derogating from the principle of the free movement of goods,

(v) notification procedures between Turkey and the EC regarding technical legislation.

The first three pieces of legislation have been published in the Official Gazette on 17 January 2002 and are applicable retroactively as from 11 January 2002. The forth one is still under consultation with the European Commission. The fifth one, regulation on the notification procedures between Turkey and the EC regarding technical legislation has been published on 3 April 2002.

3.1.1 Conformity Assessment and Market Surveillance support laboratories

During the programming exercise undertaken by the National Aid Coordinator: the EU Secretariat-General (EUSG) in consultation with the Financial Cooperation Committee and related Ministries and public institutions in March 2002, the issue of upgrading the
laboratory infrastructure for conformity assessment and market surveillance purposes has been identified as a priority for funding.

This investment support will be spread and continued over several years considering the size of the investments required and the readiness of the various sectors to be supported.

In the process of preparing this project fiche, consultations have been carried out with representatives of Ministry of Industry, Ministry of Health, Telecom Authority, the Secretariat-General for EU Affairs, representatives from Industrial organizations, representatives from conformity assessment bodies and with manufacturers - which confirmed the specific needs of the sectors they represent.

Laboratory infrastructure in the selected sectors requires upgrading in order to:

- comply with EU regulations
- comply with the requirements of EU standards
- extend the range of testing fields not yet covered.

Overall the legislation, related to the sectors object of this project fiche, have been harmonized and published (or in course of publication) in the official journal.

The Ministry of Industry and Trade (LVD, EMC, Machinery, PED, SPV)

- The machinery directive came into force on 5 June 2002, with a transitional period that ends on 5 December 2003. The Turkish government has stated that the necessary infrastructure will be in place at the end of this 18 months transitional period.
- European Directives for Pressure Vessels and Pressure Equipment. They are expected to enter in force by June 2003.

The Telecom Authority (R&TTE)

- The Telecom sector is under the responsibility of the Telecom Authority. The R&TTE Directive has been prepared according to the Turkish laws and it is expected to be published June 2003, with a transitionary period of 12 months.

The Ministry of Health (Detergents, Toys, MED)

- Detergents- Legislation has been harmonized in line with the relevant EU directives. The Ministry of Health has provided the legislative infrastructure for the adaptation to EU legislation, but currently lack a proper routine for the implementation of Market surveillance and Inspections.

- Toys- Toy safety requirements in Turkey are currently regulated under the “Food and Public Health Related Consumer Products Act”, dating back to 1952. Provisions of the Act regarding toy safety are insufficient to protect consumer health. However, a new Toy Safety Regulation has been prepared in parallel with the 88/378/EEC Directive, this has been published in official gazette on the 17 may 2002 n°24758
and it will enter in force within 18 months, following the implementation of the Framework Law.

- Medical Devices- The Ministry of Health has prepared regulations for medical devices and implantable medical devices, in line with the EU directives. Both regulations were published on March 2002, and are expected to come in to force in September 2003.

Moreover some recent developments, related to this sector, show further alignment to the EU system:

- Turkish Accreditation Council (TÜRKAK) Law was approved by the Turkish National Assembly on 27.10.1999.
- A market surveillance strategy has been drafted for the Ministry of Industry and the Telecom Authority. The Ministry of Health is developing the basis for a Market Surveillance strategy.
- Notification criteria were published or are under drafting stage for all the sectors under the scope of the project.

Overall the investment in these sectors is considered of primary importance for the continued development of these sectors in the Turkish economy. The pre-feasibility study shows that the degree of readiness of the operators varies from sector to sector. Considering the urge to comply with the upcoming EU harmonized legislation the investment in the equipment has to be realized in the shortest possible delay.

It should be underlined that the ultimate Beneficiaries of the project would be the Ministries and authorities trying to implement the acquis in the above-mentioned priority sectors. The project is conceived as a kick-off activity contributing to the establishment of necessary conformity assessment and market surveillance structures.

A pre-feasibility study on the initial identification of potential beneficiaries CABs/testing laboratories was carried out by the ministries in cooperation with representatives of the trade federations and professional organizations (results available in Annex 6), which resulted in the preparation of this project fiche. It was made in a way to ensure that the priority sectors of Turkish industry are adequately covered and that the specific needs of the industry sectors they represent are taken into account.

3.1.2 Ministry of Industry and Trade(MIT) related to Market Surveillance:

In accordance with the Regulation on Market Surveillance and Inspection of Products (2001) and the Ministry’s own draft Regulation on Market Surveillance, market surveillance is carried out by the DG of Industry, DG of Measurement and Standards and DG of Consumer Protection and Competition“ within the scope of relevant technical regulations for which they are responsible”.
A central agency for market surveillance in Turkey or any other centralized responsibility for market surveillance does not exist, nor is the creation of such an agency on Turkey’s political agenda.

In Turkey, there is no co-ordinating authority for market surveillance other than the Market Surveillance Co-ordination Board, which was established by regulation issued by the Undersecretary of Foreign Trade, 2002. This Board is composed of authorities involved in surveillance related issues in one way or another. The main functions of this Board are to monitor developments and recommend changes required in the enacted laws and improve co-operation between ministries and institutions in surveillance work.

Instead, it is foreseen to put the bulk of market surveillance activities in the hands of the provincial offices of the Ministries – in collaboration with the central offices. (To date, all Ministries have their own provincial offices. The new Government has initiated a discussion on a possible change of this situation with a view to the establishment of only one provincial office per region that will act on behalf of all Ministries. According to the Ministry, there is little chance that this will be realised in the near future however.

MIT’s provincial offices are miniature versions of the Ministry’s Headquarters in Ankara, in that their scope of activities (has to) cover practically all areas of responsibility of the different DG’s of the Ministry, including market surveillance. The largest provincial offices are those located in Istanbul, Izmir and Ankara.

MIT’s provincial office in Ankara has a total of 69 staff divided over six departments more or less mirroring the Ministry’s DGs. Of the total staff, 4 engineers are working in the Standards Department of the office. It is part of the duty of these engineers to perform random market controls for selected products. In principle, it is their duty to perform these controls for all products that are subject to mandatory standards.

In addition to the inspectors at the Provincial Offices, MIT employs 16 inspectors within the DG for Consumer Protection of its Central Office in Ankara. These inspectors have thus far been responsible for market control of all commodities subject to mandatory standards on the entire territory of Turkey. They have the same powers, rights and obligations as their colleagues at the Provincial Offices by whom they are called in special cases, e.g. consumer complaints whose amount in dispute exceeds a certain limit, or when the Ministry decides to carry out a systematic campaign involving a number of inspectors in response to reported “systematic” non-conformities.

As of date, basic surveys are not carried out to determine the spread and use of products. Little or no information is available about compliance, or otherwise, issued warnings, compliance negotiations with companies and the organisations representing business and workers etc. Use of statistics for general planning (risk evaluation based on injuries, insurance and hospital records etc.), consumer complaints analyses are not used as a basis for surveillance action.

Difficulty in reaching the small economic operators (e.g. less than 25 employees) and the non-observed economy in Turkey make the surveillance work all the more difficult.
There is a lack of trained staff for field work. Only about 15-20% of the regional staff is engaged in field inspections and the focus is on compliance with mandatory standards. The IT infrastructure is inadequate for data registration and Internet enabled data base is not in force.

Inadequate financial resources complicate the work that need be done for proper market surveillance enforcement at the field level and planning at the MIT level.

3.2 Linked activities:

*Administrative Cooperation Programme*

This EU funded project has become operational in 2000 and aims at providing short-term technical assistance support to Turkish authorities in its accession efforts to the EU, by facilitating transfer of know-how and best practice from European authorities and administrations through a variety of activities and sub-projects. There are a series of study visits for the officials of the Ministry of Industry and Trade (MIT) foreseen under the Programme on electrical risk and equipment and pressure vessels.

From the same programme, MIT has received technical assistance for the establishment of a market surveillance strategy for the Ministry. The results of that study has also been taken into account in this project.

"Support to the Quality Infrastructure in Turkey" Project

This EU funded project, with a duration of 5 years, started in August 2002, was envisaged as a technical assistance programme. The programme provides, in a broad way, expertise, either for training, consultancy for training awareness. This is achieved by providing a framework for technical assistance that will consist of four components:

- Legal and technical advice, on the design of legislative instruments,
- Institution building support, for the strengthening of the application and enforcement of the legal instruments in question,
- The transfer of know-how to both the public and private sector,
- Awareness campaign on the implications of the Customs Union Agreement and the Free Movement of Goods for the public and private sector.

The project has supported the Telecommunication Authority with a short-term TA action in the drafting of its market surveillance strategy and similar support will be mobilised for the sectors of the Ministry of Health in June 2003.

*Institution Building of the Telecommunications Authority*

The project is financed under the pre-accession funds of 2002 and will start early 2003. It is basically a twinning project which aims at fostering the improvement of the alignment of the Turkish telecommunications legislation with the EU acquis and strengthening of the capacity of the Telecommunications Authority (TA) to reinforce its implementation ability. There is also technical assistance foreseen for the R&TTE Directive.

3.3 Results:
The project, consists of three components, foresees to produce the following results in the different areas.

Component 1: Feasibility study for the supply of Equipment for CABs

R1. Final beneficiaries selected and technical specifications of equipment verified on the basis of a technical and economical appraisal

Component 2: Supply of Equipment for CABs

R2. The necessary equipment for testing laboratories, covering the conformity assessment procedures, supplied and operational.

R3. The testing capabilities of CABs for the LVD, EMC, Telecom, Machinery, Pressure Equipment, Pressure Vessels, Toys, Medical Devices and Detergents increased with the possibility of testing of new products required by the Directives and increased quality of testing procedures.

Component 3: Twinning

R4 The administrative competence and technical skills of the MIT staff in market surveillance activities raised up to EU level.

R5 Secondary legislation assessed in the light of the acquis and EU practice and if necessary further drafts prepared and approved by MIT.

3.4 Activities:

Component 1: Feasibility study for the supply of Equipment for CABs

A1.1 Pre-Assessment. The related ministries will give a call for expressions of interest to invite CABs willing to participate into the equipment grant scheme. Companies that have submitted to the relevant ministries an application will be invited to prepare an abstract of their business plan based on an existing business plan template already distributed among the candidates. This should be a short version of the business plan of their organisation. The administrative and technical criteria will be developed by a pool of experts, which will assist the ministries throughout the evaluation process. After administrative conformity check, the short-listed candidates will be subject to technical examination. An indicative set of criteria is available in Annex 7.

A1.2. Final selection of the beneficiaries. The assessment team will develop the selection criteria and the selection panel will endorse the criteria and the rating system proposed. The expert team will assess the business plans, technical capacity, including review of the testing/measurement capacity of the candidate CABs, review of available equipment and needs analysis as well as quality management system review. The selection panel will endorse the final examination.

Component 2: Supply of Equipment for CABs

A2. Procurement of equipment for test laboratories of CABs according to the technical specifications prepared.

Component 3: Twinning
A3.1 Organisation of internal training seminars, on the job training and advise for a total of 69 inspectors on market surveillance in electro technical, machinery and pressure vessels fields.

A3.2 Technical support to the MIT in reviewing secondary legislation in market surveillance and advice in the administrative restructuring of the Ministry.

3.4.1 Inputs for technical assistance

Component 1: Feasibility study for the supply of Equipment for CABs

I 1. The specific objective of the feasibility study is to identify, assess and select CABs/testing laboratories operating in the selected priority fields of New Approach Directives: LVD, Machinery, EMC, Pressure Equipment, SPV, Gas Appliances, Toys and Medical Devices, on the basis of their competency, expertise and proven sustainability for receiving technical assistance and supply of equipment in order to be able to cover entirely conformity assessment procedure(s) under the relevant NA Directives. The nature of the exercise requires a team of experts with profound business, economics and engineering background. An overall input of about 1 team leader, 1 economic expert, 4 technical experts, 2 QMS assessors is required over a period of total 4 man-months.

Component 3: Twinning

I2.1 Pre-Accession Adviser for 15 months:

The PAA must be highly qualified in at least one subject matter covered by the Ministry of Industry under this project (electrotechnical, machinery or pressure vessels) and must possess good management skills. He/she must be well acquainted with the enforcement of market surveillance activities according to New Approach Directives, actively having worked in the field of inspection in a Member State. He/she should also be well informed on different national practices in other EU Member States. Experience in organising training programmes and giving policy advice is a comparative advantage.

More specifically, the PAA

- Shall have sound theoretical and practical experience in enforcement of market surveillance at the management level as well as inspection methods.
- Shall have broad international contacts and EU experience,
- Shall be fluent in English

Tasks of the PAA:

- To co-ordinate the programme,
- To give technical advice,
- To provide general training and transfer of know-how
- To mobilise short-term experts,
- To ensure proper quality of outputs,
- To provide detailed report on the impact of the programme

I2.2 Short-term expert(s) for 6 man-months of assistance (indicative)
Areas not directly covered by the PAA can be taken over by short-term experts within the limits of the budget. Short term experts should have specialised knowledge on market surveillance of products in the fields of new approach directives including amongst others, electrotechnical, machinery and pressure vessels with hands-on experience on inspection. They should have proven EU-exposure on these issues, either having worked for the EC or as part of the networks of market surveillance officers. Short-term expert(s) are expected to cover, among others, the tasks listed below: (for indicative purpose):

- To organise training seminars,
- To contribute/prepare training materials and manuals,
- To deliver training,

To train the inspectors of the MIT, advanced training seminars that could be repeated periodically, on market surveillance in electrotechnical, machinery and pressure vessels fields are expected to be held. Furthermore, it is expected to develop a training-the-trainers program for a limited number of the MIT staff. The training seminars should be able to reflect a wide range of different EU experience and practice on Market surveillance.

Study visits can be organised for limited number of the MIT staff within the limit of budget to the market surveillance authorities of Member State, or other related institutions in EU that will be specified in consultation with PAA.

Operating Environment:

A Pre-Accession Adviser (PAA) will be placed at the MIT and will provide expert advice for effective implementation of the twinning arrangement. The PAA will also be responsible to mobilise short-term experts with the assistance of his/her delegating institution.

The responsible staff of the MIT will co-operate in identifying needs and will arrange local inputs.

3.5.Lessons Learned:

This is the first investment project of this kind in this sector. There are no specific lessons learned to refer to.

A short description of lessons learned from previous related activities is provided below.

Under the Administrative Cooperation Programme, MIT has received technical assistance for the establishment of a market surveillance strategy for the Ministry. The results of that study has been extensively used for the design of the twinning component of the project. The study showed that the Ministry of Industry and Trade needs to restructure itself and receive technical assistance and training in order to meet the requirements of an effective and functioning market surveillance system.

A pre-feasibility study was undertaken for the drafting of the project fiches as referred above in several sections (Annex 6). The pre-feasibility study shows that the degree of readiness of the operators varies from sector to sector. Considering the urge to comply with the upcoming EU harmonized legislation the investment in the equipment has to be realized in the shortest
possible delay. It has also recommended to conduct a feasibility study before the equipment list is finally approved, which is integrated into the project fiche.

4. **Institutional framework**

**Ministry of Industry (Electro-technical, Machinery and Pressure Vessels sectors)**

The Ministry of Industry and Trade is responsible for the adoption and implementation of the Acquis in several sectors, including in particular the Electro-technical, Machinery and Pressure Vessels sectors.

Potential notified bodies and market surveillance support laboratories will be the direct beneficiaries of the Component 2.

On the basis of the candidatures received as potential notified bodies and/or market surveillance support laboratories, a series of Conformity Assessment bodies have been pre-selected by the Ministry of Industry and Trade in cooperation with the professional and trade federations during as the direct potential beneficiary for the equipment.

An initial identification of potential beneficiaries CABs/testing laboratories was carried out during the pre-feasibility study (Annex 6), in cooperation with the ministry and the relevant professional associations. The final selection of the beneficiaries will be subjected to results of the feasibility study.

**Telecom Authority**

TA has been authorized to prepare regulations for all telecommunications sector particularly on pricing, interconnection and quality of service; to supervise the compliance with the conditions of the mission contract, concession agreement, telecommunication licenses and general permissions and to apply some administrative fines if necessary.

TA has been authorized to determine policies for the telecommunication sector in accordance with the laws and government policies. TA also authorized to prepare the necessary regulations, to determine the terms and provisions of the concession agreement to be concluded and telecommunication licenses to be issued, to award them through tenders and to apply the heavy sanctions necessitating the power and responsibility of the state.

An initial identification of potential beneficiaries CABs/testing laboratories was carried out during the pre-feasibility study (Annex 6), in cooperation with the ministry and the relevant professional associations. The final selection of the beneficiaries will be subjected to results of the feasibility study.

**Ministry of Health (Detergents, Toys; Medical Devices sectors)**

The Ministry of Health is responsible for the adoption and implementation of the Acquis in several sectors, including in particular Detergents, Toys; Medical Devices sectors.

The Ministry of Health has appointed, in its draft strategy, the Refik Saydam Hygiene Institute as market surveillance support laboratory. This public institute has a good level of technical competence with a wide range of technical instruments that will be required to
enforce the Turkish Codex and other national and EC regulations. Facilities of the Institute need to be improved further. Today the Refik Saydam Central Hygiene Institute lacks major parts of equipment and training in order to perform the necessary tests for market surveillance. The Institute will be subject to the same feasibility study as other market surveillance support laboratories participating in the call.

An initial assessment of Refik Saydam Hygiene Center was carried out during the pre-feasibility study (Annex 6), in cooperation with the ministry and the relevant professional associations.

5. Detailed Budget

<table>
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<tr>
<th>Component 1: Feasibility study for the supply of Equipment for CABs</th>
<th>Phare Support</th>
<th>Support</th>
<th>Total Phare (=I+IB)</th>
<th>National Co-financing*</th>
<th>IFI*</th>
<th>TOTAL</th>
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<td>€200.000</td>
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| Component 2: Supply of Equipment for CABs                       | €3,770,000    | €3,770,000 | € 2.030.000**       |                        |      | € 5.800.000 |

| Component 3: Twinning for Ministry of Industry                 | €1.000.000    | €1.000.000 |                      |                        |      | €1.000.000 |

| Total                                                           | €3,770,000    | €1.200.000 | € 4.970.000          | € 2.030.000**          |      | € 7.000.000 |

* Should the total cost of works proposed exceeds the estimate shown in the table above, the beneficiary institution will provide the necessary additional budget.

** The co-financing required from private CAB operators is 40% and the co-financing for non-profit CABs is 25 %. The co-financing put here reflect the average 35 %.

6. Implementation Arrangements

6.1 Implementing Agency

The Central Financing Contracting Unit (CFCU) will be the Implementing Agency and will be responsible for all procedural aspects of the tendering process, contracting matters and financial management (including payments) of the project activities. The Head of the CFCU is Mr. Nuri Ercan Tortop (tel: 90 312 285 46 20, fax:+ 90 312 285 9624).

Beneficiaries
6.2 Twinning

The project will be implemented in the form of one Twinning Covenant between Turkey and a Member State. The twinning partner will manage all aspects of execution in close collaboration with the MIT, as well as securing a pool of EU experts.

Member States may form a Consortium, which shall result in a wide range of experience of short-term experts gathered from different national administrations of more than one Member State provided that national approaches can be harmonised within the Consortium.

The beneficiary institution of the Twinning arrangement will be the Ministry of Industry and Trade.

6.3 Non-standard aspects
In order to ensure transparency and a high level of quality, the Conformity Assessment Bodies participating in the grant scheme for equipment will be subject to a call for expressions of interest followed by detailed administrative and technical assessment, the criteria of which will be publicly announced (for more details on the expression of interest: article 3.4, component 1). The evaluation will be carried out by the Ministries involved, the ultimate Beneficiaries of the project, with assistance from a team of experts, together forming an independent panel with observers from the Commission.

6.4 Contracts

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<thead>
<tr>
<th>Component</th>
<th>Description</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Component 1</td>
<td>Feasibility study for the supply of Equipment for CABs</td>
<td>€ 200.000</td>
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<tr>
<td>Component 2</td>
<td>Supply of Equipment for CABs</td>
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<td>Component 3</td>
<td>Twinning for Ministry of Industry</td>
<td>€ 1.000.000</td>
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<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>€ 7.000.000</strong></td>
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7. Implementation Schedule

**Component 1:**
Start of tendering
October 2003
Start of project activity
December 2003
Project Completion
March 2004

**Component 2:**
Start of tendering
January 2004
Start of project activity
September 2004
Project Completion
August 2005

**Component 3:**
Start of negotiations of the Twinning Covenant:
8. **Equal Opportunity**

Participation in this project will be open to both males and females involved in the sector. Records of professionals’ participation in all project related activities will reflect this and will be kept with the project documentation.

9. **Environment**

*Not applicable*

10. **Rates of return**

Supply of equipment for laboratory testing is to assist the beneficiaries in supporting the assessment and monitoring of the *acquis* compliance. The investment is not of commercial or profit oriented character. The ultimate Beneficiaries of the project are the Ministries implementing the acquis communautaire in the related fields.

11. **Investment criteria**

11.1 **Catalytic effect:**

The EU pre-accession investments under this project will contribute to the strengthening of the necessary conformity assessment system and its functioning at the required EU level.

The overall objective of the project is to support the application and enforcement of the Acquis in the area of free movement of goods (in the Electro-technical, Machinery, Pressure Vessels sectors), which is a accession priority stressed both in the Accession Partnership and the NPAA.

11.2 **Co-financing:**

In addition to the EU pre-accession fund the investment will receive co-financing from national contribution for a total amount of € 2.030.000. This is an indicative average as the national contribution will be covered by the beneficiary laboratories on the following basis:

- 25% if investment is for public laboratories to support Market Surveillance activities
- 40% in all other cases

It is expected that the national contribution will proceed both from public sources (eg. Universities, laboratories) and from private sources (laboratories which operate in public interest as non profit institutions on the market). The exact proportion will be known as soon as the beneficiary laboratories are selected.
In component 2, the Turkish co-financing will include, i.e. provision of office equipment and space for PAA, organisational costs of training and seminars and other costs non-eligible for the Pre-Accession Support, as specified in the “Reference Manual on Twinning Projects”.

11.3  Additionality:
The EC grants will not displace other financiers especially from the private sector.

11.4  Project Readiness and Size:
Although progress has been made in terms of the alignment of technical legislation, enforcement of the new conformity assessment and market surveillance systems are still to be achieved. This is partly due to the need for technical assistance (which would be addressed by another EC programme) and also due to the lack of laboratory infrastructure and trained laboratory staff.

As a result of the consultations with representatives of the ministries and the trade/professional organizations, a fair assessment of the priorities of the related industry sectors was carried out and a preliminary list of the potential beneficiaries was established.

The final selection will be made in an impartial way, under clear and transparent criteria (e.g. co-financing availability, sound business plan) by an independent panel established during the feasibility study.

The feasibility study should be completed before the commencement of the project.

11.5  Sustainability:
The project supports the implementation and enforcement of the acquis. All equipment will be required to comply with the applicable European directives. Maintenance of the equipment, in particular the cost for spare parts and supplies will be borne by the budget of the beneficiaries.

11.6  Compliance with state aids provisions
Not applicable

11.7  Contribution to National Development Plan
Not applicable. Turkey has now begun preparation of its first national development Plan. This is likely to be ready by the end of 2003.

12.  Conditionality and sequencing
The required preconditions for the success of the investment are:
The supply contracts for the component 2 will not be signed:
   a) unless the legislation harmonized is in full compliance with the one of the EU;
b) unless the responsible ministries will have concluded the sector-specific aspects of their market surveillance strategy with clear targets/forecast on the number of inspection visits, tests etc. and finalized their notification criteria, before the completion of the feasibility study

c) unless there is evidence of existence and functioning of the physical infrastructure building facilities (the sectors where there is no satisfactory infrastructure for hosting and using the equipment will be excluded from the exercise. CABs participating in the scheme will be assessed individually in the feasibility study -see indicative criteria in Annex 7-
ANNEXES TO PROJECT FICHE

1. ANNEX 1: Logical framework matrix in standard format
2. ANNEX 2: Detailed implementation chart
3. ANNEX 3: Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
4. ANNEX 4: List of relevant Laws and Regulations
5. ANNEX 5: List of equipment to be procured
6. ANNEX 6: Results of pre-feasibility study
7. ANNEX 7- Criteria For Equipment Support to Laboratories