

**Project Fiche – IPA Annual Action Programme 2007 for Bosnia and Herzegovina –
Strengthening of the BiH Accreditation System**

1. Basic information

1.1 CRIS Number:

1.2 Title: Strengthening of the BiH Accreditation system

1.3 ELARG Statistical code: 03.1-Free movement of goods

1.4 Location: Sarajevo, Bosnia and Herzegovina

Implementing arrangements:

1.5 Contracting Authority (EC): European Community, represented by the European Commission for and on behalf of beneficiary country

1.6 Implementing Agency: EC Delegation in Bosnia and Herzegovina

1.7 Beneficiary (including details of project manager):

BiH Accreditation Institute

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Financing:

1.8 Overall cost: 1,000,000 EUR

1.9 EU contribution: 1,000,000 EUR (100%)

1.10 Final date for contracting: N+2

1.11 Final date for execution of contracts: N+4

1.12 Final date for disbursements: N+5

2. Overall Objective and Project Purpose

2.1 Overall Objective:

To further develop the quality infrastructure, in line with the provisions of the SAA, and to create an enabling environment to strengthen the international competitiveness of BiH and to improve its economy.

2.2 Project purpose:

Establishing the conditions for future international recognition of BiH tests, calibration results, and certification and preparing the BiH Accreditation Institute for signing multilateral agreements with European co-operation for Accreditation.

2.3 Link with AP/NPAA / EP/ SAA

The European Partnership (EP) calls for BiH to implement current legislation in the areas of standards, certification, metrology, accreditation and conformity assessment and to align rules and regulations in these areas with the *acquis*, in particular to create conditions favourable to trade . (Section European Standards/ Free movement of goods). Please refer to Annex III of the Project Fiche.

Similarly, the SAA requires the implementation of the necessary measures to gradually achieve conformity with Community technical regulations and European standardisation, metrology, accreditation and conformity assessment procedures by adopting Community technical regulations, European standards and conformity assessment procedures; and foster

the development of quality infrastructure to permit BiH's participation in the work of international organisations (e.g. EA, WELMEC, EUROMET) and concluding an Agreement on Conformity Assessment and Acceptance of Industrial Products. (Title VI Approximation of Laws, Law Enforcement and Competition Rules, Article 76 Standardisation, Metrology, Accreditation and Conformity Assessment) Please refer to Annex III of the Project Fiche.

2.4 Link with MIPD

In the area of European Standards, the Multi-Annual Indicative Programme (MIPD 2007-2009), foresees programmes being implemented to improve the legal framework for quality infrastructure and to enhance the thereto related institutional and professional capacity. (Section 2.2.3.1, 2.2.3.2, 2.2.3.3). Please refer to Annex III of the Project Fiche.

2.5 Link with National Development Plan

The Bosnia and Herzegovina Medium Term Development Strategy has recognised that "Free Movement and Safety of Industrial Products" is one of key preconditions for creation of common economic space and economic growth in BiH. The basic goal is for BiH to function according to the rules of the EU Internal Market and World Trade Organisation. (Section 2.3.2 Internal market, Section 2.3.2.2. Free flow of goods). Please refer to Annex III of the Project Fiche.

2.6 Link with national/ sectoral investment plans(where applicable)

N/A

3. Description of project

3.1 Background and justification:

The legal framework for a BiH accreditation system under the authority of a BiH Institute for Accreditation (BATA) has been established.

BATA is in conformity with the standards of EN 45000 and ISO/IEC 17000 series, and the recommendations and guidelines of European co-operation for Accreditation (EA), International Accreditation Forum (IAF) and International Laboratory Accreditation Cooperation ILA(C). So far, the Institute (BATA) has granted 28 accreditations: 11 testing laboratories, 5 calibration laboratories, 2 certification bodies and 10 inspection bodies.

In June 2005, BATA signed a cooperation agreement with the European Co-operation for Accreditation (EA), and regularly participates in the work of its General Assembly and technical committees. In December 2004, a Bilateral Cooperation Agreement was signed with the accreditation body of Serbia and Montenegro now in its implementation phase. In addition, the Institute have prepared and agreed texts of the Agreements with accreditation bodies in Croatia and Former Yugoslav Republic of Macedonia. This cooperation will extend to other West Balkans countries.

Besides all results achieved until now BATA is aware that in certain segments of accreditation system of BiH improvements should be made, disadvantages eliminated etc. In a first instance this is meant to improvement of existing organisational structure, documents of management system, training of staff and BATA evaluators, assessment and improvement of accreditation process as well as other processes specified in this project. We expect that upon realisation of this project the accreditation system in BiH will remarkably be enhanced. Large motivation of BATA staff is important assumption for the success of this project.

According to Bosnia and Herzegovina 2006 Progress Report, little has been achieved in the area of free movement of goods. BiH has made limited progress in aligning its legislation and

policies with European standards. BiH will need to further enhance its capacity to respond to the requirements of the European Partnership in this respect.

Therefore, intervention in this area will establish the conditions for future international recognition of tests and calibration results, as well as certificates and prepare BiH Accreditation Institute for signing multilateral agreement with European co-operation for Accreditation.

3.2 Assessment of project impact, catalytic effect, sustainability and cross border impact

The accreditation system is becoming increasingly indispensable mechanism of checking competence of the bodies for conformity assessment that, on one hand, enables faster and cost effective trade of goods and services in the market and, on the other hand, ensures better protection and confidence of consumers in respect of quality of the goods and services. Through this project Bosnia and Herzegovina will remarkably get closer to that goal and throughout next projects we expect signing of first MLAs with EA and other international organisations in the area of accreditation.

3.3 Results and measurable indicators:

Result 1. BiH accreditation system has been improved and institutional capacity of BATA has been reinforced in terms of fulfilment of its tasks according to rules of EA and international standards;

Result 2. Staff and assessor training has been completed and its own training centre has been established;

Result 3. General review of the situation in relation to infrastructure for conformity assessment was carried out as well as evaluation of further needs for strengthening BiH accreditation system.

3.4 Activities:

1. Screening of status, analysis and assessment according to requirements of ISO/IEC 17011 standard, with special emphasis on:

- a) Organisational structure and documents of BATA management system;
- b) Human resources (internal and external) in terms of number, representation in respective areas and their competence;
- c) Training system of BATA staff and assessors;
- d) Development of accreditation schemes in respective areas and need for new accreditation processes and other processes within BATA that support accreditation processes;
- e) Evaluation of competency of accredited bodies;
- f) Needs to update operation processes management in BATA by using appropriate software programmes and modern IT.

2. Implementation of improvements with respect to found solutions relating to BATA and its organisational structure.

3. Identification of the nature of additional training of existing BATA staff and existing assessors and carrying out additional training by means of:

- a) Seminar organisation;
- b) BATA staff visit to selected body for accreditation in EU;
- c) Study visits of BATA staff and assessors in the country whose accreditation body has been selected to provide technical assistance;
- d) Carrying out accreditation of bodies for conformity assessment from BiH by teams composed of assessors from the selected accreditation body from EU and BATA.

4. Projection and establishment of its own training system for assessors (tutor education, organisation of training, etc.);
 5. Support to BATA in monitoring and preparation of activities related to BATA that are also relevant for EU *aquis* adoption (directives, regulations, etc.) by BiH;
 6. Establishment of proficiency testing policy and inter laboratory comparison of accredited bodies, promotion of the policy and providing assistance to accredited bodies and candidates for accreditation and establishment of accreditation of potential providers in BiH;
 7. Development of software programmes and modern information technologies in BATA operations;
 8. Drafting of strategic plan for future improvements and activities.
- The above mentioned activities will be realised by the Technical Assistance Contract. The indicative input is the following: 27 months/man of 2 long-term experts, and 450 days/man of short-term experts.

3.5 Conditionality and sequencing:

All conditions are in place for this activity to take place.

3.6 Linked activities

Quality and Regulatory Infrastructure Development for Food Safety and Quality in Southeast Europe

Regional project (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Macedonia, Rumania, Serbia-Montenegro and Kosovo), funded by Sida / SWEDAC Swedish National Food Administration to support a common platform for regional co-operation on the field of food safety and trade in food and foodstuffs.

It is expected that the implementation of this regional project will commence in May 2007. Through this project BATA will perform training of its evaluators in the area of food. The Delegation of the European Commission in Sarajevo is informed and consulted regarding this project.

CARDS 2002- Regional Quality Infrastructure Project

The first (CARDS 2002) Regional Quality Infrastructure Project carried out by the European Committee for Standardization (CEN) assisted the countries of the Western Balkans to develop the quality infrastructure in the region and to broaden the basis for mutual confidence between the five countries/region and the EU. By working together the countries could pool their expertise, share knowledge, resources and facilities in a variety of fields: technical regulations, standardisation, accreditation, testing-certification-inspection, metrology and market surveillance. This programme ended in December 2006.

3.7 Lessons learned

BATA participated only in CARDS 2002-Regional Quality Infrastructure Project. This project improved the cooperation between the relevant national accreditation institutions in region and allowed BATA to compare their accreditation system with the once from the region.

Based on the experience of implementing similar projects the basic lessons learned are:

- To complete the contracting and procurement processes as soon as possible after the signing of the Financing Memorandum;
- To design and operate an appropriately robust data gathering system to monitor progress of the project and its achievement of its goals and measurable objectives;
- To establish an effective “early warning system” to ensure deviations from the expected schedule are reported and appropriate corrective measures are taken.

4. Indicative Budget (amounts in €)

Activity- Strengthening of the BiH Accreditation system	TOTAL COST	SOURCES OF FUNDING											
		EU CONTRIBUTION				NATIONAL PUBLIC CONTRIBUTION				PRIVATE			
		Total	% *	IB	INV	Total	% *	Central	Regional	IFIs	Total	% *	
contract1: Strengthening of the BiH Accreditation system	1,000,000	1,000,000	100%	1MEUR		0	0						
TOTAL	1,000,000	1,000,000	100%			0	0						

* expressed in % of the Total Cost

5. Indicative Implementation Schedule (periods broken down per quarter)

Contracts	Start of Tendering	Signature of contract	Project Completion
Strengthening of the BiH Accreditation system	Q1/2008	Q2/2008	Q4/2009

All projects should in principle be ready for tendering in the 1ST Quarter following the signature of the FA.

6. Cross cutting issues (where applicable)

6.1 Equal Opportunity

Equal opportunity principles and practices in ensuring equitable gender participation in the Project will be guaranteed.

6.2 Environment

The project will not have any negative environmental effects.

6.3 Minorities

Participation in the project activities will be guaranteed on the basis of equal access regardless of racial or ethnic origin, religion or belief, disability, sex or sexual orientation.

ANNEX I: Logical framework matrix in standard format

LOGFRAME PLANNING MATRIX FOR Project Fiche	Programme name and number: Strengthening of the BiH Accreditation system	
	Contracting period expires: 31/12/2009	Disbursement period expires: 31/12/2012
	Total budget : 1,000,000 EUR	IPA budget: 1,000,000 EUR

Overall objective	Objectively verifiable indicators	Sources of Verification	
The overall objective is to further develop the quality infrastructure in the BiH, in line with the provisions of the SAA, and to create an enabling environment for the BiH industries and manufacturers to improve their trade and industrial relations with the EU and international markets as well as quality of life.	Advancement in the Stabilisation and Association process (Sap) BiH meets the requirements of the SAA	Annual Progress Report issued by EC	
Project purpose	Objectively verifiable indicators	Sources of Verification	Assumptions
Establishing the conditions for future international recognition of tests and calibration results, as well as certificates and prepare BiH Accreditation Institute for signing multilateral agreement with European co-operation for Accreditation.	Organisational structure improved by changes and amendments to the Rulebook on internal organisation; Documents of management system based on standard ISO/IEC 17011 ¹ prepared (approximately 30 documents) Training of staff and evaluators completed (approximately 30 experts)	BATA	Commitment and motivation of beneficiaries and recipients to receive Technical Assistance and to implement reforms
Results	Objectively verifiable indicators	Sources of Verification	Assumptions
BiH Accreditation system has been improved and institutional capacity of BATA has been reinforced in terms of fulfilment of its tasks according to rules of EA and international	Amended and enforced new documents in the area of accreditation (approximately 30 documents) Deadline: first 6 months of project duration;	Documents of BATA management system; Accreditations issued by BATA; Material from seminars, evaluation forms to be fulfilled by participants;	The project operates in a clear institutional set-up; Institute staffed and operational; Good technical level of the staff; There is adequate cooperation between

¹ Conformity assessment – General requirements for accreditation bodies accrediting conformity assessment bodies.

<p>standards; Staff and assessor training has been completed and its own training centre has been established; General review of the situation in relation to infrastructure for conformity assessment was carried out as well as evaluation of further needs for strengthening BiH accreditation system.</p>	<p>Training completed for approximately 30 BATA experts. Deadline: first 6 months of project duration; By study tours to the relevant institutions from EU, practical harmonisation of accreditation process in BiH with EU practice is completed (approximately 2 study tours) Deadline: by the end of the project Existing accreditation schemes are examined and improved (approximately 4) and new once developed (approximately 2); Accredited bodies and candidates for accreditation participate in inter laboratory comparisons (approximately 5)</p>	<p>Annual BATA report; Project reports and monitoring reports;</p>	<p>various stakeholders; There is commitment and motivation on behalf of beneficiaries and recipients to receive technical assistance;</p>
Activities	Means	Costs	Assumptions
<p>1. Screening of status, analysis and assessment according to requirements of ISO/IEC 17011 standard, with special emphasis on: Organisational structure and documents of BATA management system; Human resources (internal and external) in terms of number, representation in respective areas and their competence; Training system of BATA staff and assessors; Development of accreditation schemes in respective areas and need for new accreditation processes and other processes within BATA that support accreditation processes; Evaluation of competency of accredited bodies; Needs to update operation</p>	<p>Technical Assistance contract</p>	<p>1,000,000 EUR</p>	

<p>processes management in BATA by using appropriate software programmes and modern IT (R.3.3.1).</p> <p>2. Implementation of improvements with respect to found solutions relating to BATA and its organisational structure (R.3.3.1).</p> <p>3. Identification of the nature of additional training of existing BATA staff and existing assessors and carrying out additional training by means of:</p> <ul style="list-style-type: none"> Seminar organisation; BATA staff visit to selected body for accreditation in EU; Study visits of BATA staff and assessors in the country whose accreditation body has been selected to provide technical assistance; Carrying out accreditation of bodies for conformity assessment from BiH by teams composed of assessors from the selected accreditation body from EU and BATA (R.3.3.2); <p>4. Projection and establishment of its own training system for assessors (tutor education, organisation of training, etc.) (R.3.3.2);</p> <p>5. Support to BATA in monitoring and preparation of activities related to BATA that are also relevant for EU <i>aquis</i> adoption (directives, regulations, etc.) by BiH (R. 3.3.1 and 3.3.3);</p> <p>6. Establishment of proficiency testing policy and inter laboratory comparison of accredited bodies, promotion of the</p>			
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<p>policy and providing assistance to accredited bodies and candidates for accreditation and establishment of accreditation of potential providers in BiH (R. 3.3.1 i 3.3.3).</p> <p>7. Development of software programmes and modern information technologies in BATA operations (R.3.3.1 and 3.3.3);</p> <p>8. Drafting of strategic plan for future improvements and activities.</p>			
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ANNEX II: amounts (in €) Contracted and disbursed by quarter for the project

Contracted	Q2/2008	Q3/2008	Q4/2008	Q1/2009	Q2/2009	Q3/2009	Q4/2009
Strengthening of the BiH Accreditation system	1 M						
Total	1 M						
Cumulated	1 M						
Disbursed							
Strengthening of the BiH Accreditation system	0.30 M		0.30 M		0.30 M		0.10 M
Total	0.30 M		0.30 M		0.30 M		0.10 M
Cumulated	0.30 M		0.60 M		0.90 M		1 M

ANNEX III Reference to laws, regulations and strategic documents:

Reference list of relevant laws and regulations

-*Law on Accreditation of Bosnia and Herzegovina (Official Gazette of BiH, No.19/01)*

-*Law on establishment of BiH Accreditation Institute (Official Gazette of BiH, No.10/02)*

Link with MIPD

In the area of European Standards, the Multi-Annual Indicative Programme (MIPD 2007-2009), foresees programmes being implemented to improve the legal framework for quality infrastructure and to enhance the thereto related institutional and professional capacity. As indicators of achievement, the MIPD expects to see that the legal framework for standardization, metrology, accreditation and certification of products will be in line with EU standards and best practices and that the institutional, technical and professional capacity of the quality infrastructure institutions will be strengthened. (Section 2.2.3.1, 2.2.3.2, 2.2.3.3)

Link with EP

The European Partnership (EP) calls for BiH in the short term to implement current legislation in the areas of standards, certification, metrology, accreditation and conformity assessment; to establish the institutions provided for by this legislation and equip/staff them so that they can implement their tasks; and to align rules and regulations in these areas with the *acquis*, in particular to create conditions favourable to trade. The EP requires establishment of a market surveillance structure responding to the requirements of the *acquis* on free movement of goods and establishment of an internal consultation and notification mechanism of new technical regulations prior to their adoption on measures having an impact on trade.

(Section European Standards/ Free movement of goods)

Link with SAA

SAA calls for BiH to take the necessary measures in order to gradually achieve conformity with Community technical regulations and European standardisation, metrology, accreditation and conformity assessment procedures by promoting the use of Community technical regulations, European standards and conformity assessment procedures; providing assistance to fostering the development of quality infrastructure: standardisation, metrology, accreditation and conformity assessment; promoting BiH's participation in the work of organisations related to conformity assessment, metrology (i.e. EA, WELME, EUROMET) and concluding an Agreement on Conformity Assessment and Acceptance of Industrial Products once the legislative framework and the procedure of BiH are sufficiently aligned on that of the Community and appropriate expertise is available.

(Title VI Approximation of Laws, Law Enforcement and Competition Rules, Article 76 Standardisation, Metrology, Accreditation and Conformity Assessment)

Link with BiH Mid-Term Development Strategy (PRSP)

The Bosnia and Herzegovina Medium Term Development Strategy has recognised that "Free Movement and Safety of Industrial Products" is one of key preconditions for creation of common economic space and economic growth in BiH. Basic goal is establishing common economic space in BiH that functions according to the rules of EU Internal Market and World Trade Organisation. It states that major goal in joining the EU internal market means: BiH companies, in most of the cases, can export their products and services without meeting any additional conditions in comparison to conditions in BiH market and that lives and health of people, domestic animals, environment and interests of consumers are protected from unsafe domestic and imported products.
(Section Common Economics Space)

Link with EU Integration Strategy of BiH

Signing the SAA, the BiH single economic space will integrate gradually into the EU internal market. Internal market is the basis of the present structure of the EU, as it is one of the most important elements for reaching aims such as sustainable development, high level of employment and social protection, better living standards and quality of life, economic and social cohesion. Freedom of movement of goods made up of a whole series of directives and regulations, are the basic principles of the internal market. Acceptance and observance of these principles instigates economic reforms and competitiveness of economy as a whole, stimulates trade and investment, and contributes to development and consolidation of macro-economic stability. On the other hand, harmonisation of legislation creates a legal framework suitable for maximum economic effect, with special attention afforded to institution development. Strategy sets priorities to be implemented:

- *Implement the law and build a product liability system, and the Directive on product liability, and establish a market supervision infrastructure.*
- *Adopt a state level harmonisation program, i.e. a program of transposition of legislation and regulations and development of infrastructure for harmonisation assessment.*
- *Realise the remaining part of the programme in the next three years, i.e. implement the regulations adopted within the programme.*
- *Establish an effective infrastructure for programme implementation, using working groups comprising representatives of all the parties concerning in BiH.*
- *Implement priority segments of the programme (in particular, transpose directives of the new approach and the global approach, and directives related to food trade).*
- *Establish a scheme for staff training and evaluation in the area of harmonisation assessment.*
- *Secure an effective and uniform system in the area of standards, measurements, accreditation and technical regulations, and secure effectiveness and uniformity of such systems across BiH.*
- *Establish certification bodies for the quality system and staff.*
- *Establish bodies for harmonisation assessment (laboratories, certification and control/inspection bodies) for other groups of products.*

- *Secure for BiH institutions and associations in the area of standards, measurements, accreditation and harmonisation assessment full membership in relevant international organisations and associations, particularly EA, OIML, IAF, ILAC, etc.*
- *Enter the MLA agreement and sign PECA protocols with the EU for priority areas (group of products).*
- *Sign PECA protocols with the EU for other groups of products important for BiH economy.*
- *Sign special treaties (agreements) on recognition of documents in areas of harmonisation assessment, aimed at increasing export on the basis of free trade agreement already signed.*

(Section 2.3.2 Internal market, Section 2.3.2.2. Free flow of goods)

Annex IV

Key Experts

Long Term Expert: Team Leader –14 months

Long Term Expert: 13 months

Pool of Short Term Experts – minimum 450 days

The project will be implemented through Technical Assistance Contract. For more details on specific tasks to be performed under each component, please refer to 3.4.