



REPUBLIC OF SERBIA

Ministry of Economy

Sector for Quality Infrastructure and Product Safety on the Market

**STRATEGY FOR THE DEVELOPMENT OF
QUALITY INFRASTRUCTURE
IN THE REPUBLIC OF SERBIA
FOR THE PERIOD 2015-2020**

SUPPORTED BY GIZ & PTB

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Kick-off meeting QI Strategy in BiH

Vlašić, June 25, 2015

Content

- Questions posed before we started with preparation of Strategy
- Timeframe
- Methodology
- 4 Analysis („demand side“ ↔ „provider side“)
- About the document (vision, mission, goals..)
- Lessons learned

Questions posed before we started with preparation of the Strategy

- Why to adopt QI Strategy?
- Who will be affected?
- Who are our main stakeholders?
- What industry sectors will be covered?
- How to develop strategy?
 - / resources/ support / methodology

Timeframe

2011
„ACCESS“
Program GIZ
and PTB Support
to MoE started.
Main aim - to
provide flexible
and demand-
oriented support
to the Ministry
towards the
development of
a Quality
Infrastructure
Strategy

2012
Decision to
draft Strategy
Performing 4
analysis
started

2013 Report
on analysis
finalised.
Recommendations
incorporated
in the first draft

2014 Final draft
prepared and sent to
EC within bilateral
screening process

January **2015**
Public hearing
Governmental
procedure of
adoption

**Horizontal legal framework (5 laws) finalised,
aligned with „new goods package“ 2008**

Bylaws adopted, implementation started

**Institutional framework established
ATS → EA MLA signed in May,
ISS – more than 80% of EN in national stand**

Approx. 50% of directives were transposed

Why QI strategy?

Purpose

To achieve a balanced development of Standardization, Accreditation, Metrology and Conformity Assessment, **aligned with the needs of Serbian industry**, i.e. provide adequate and efficient services to the industry.

By improving system of quality infrastructure, the Serbia will be a few important steps **closer to Europe** and its values.

Rationale

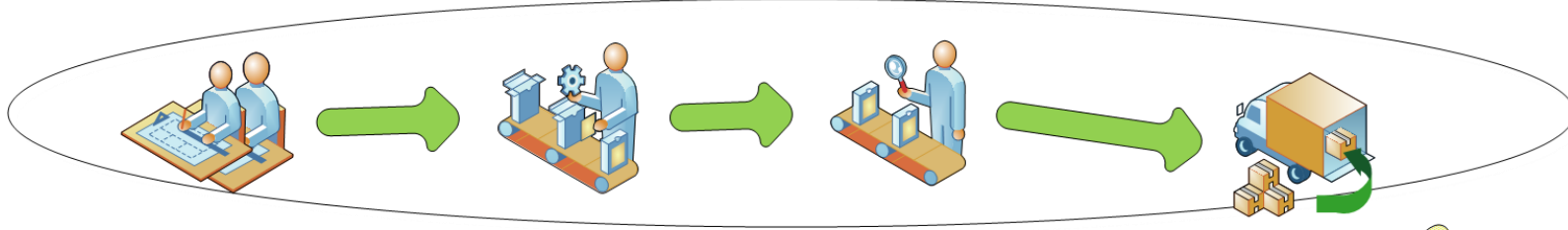
In line **with industry needs** and **EU integration requirements** it is necessary to establish a long-term policy and action strategy, in order to achieve full operability of the established QI system.

QI Strategy is important because of competitiveness of our industry, not only because of the EU integration process as such.

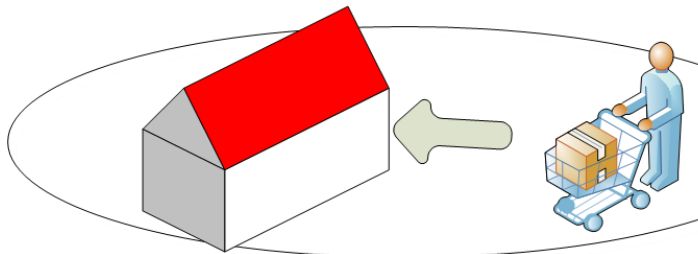
Who is affected?

- QI strategy should have positive impact on:
 - **Businesses**, which will produce, import and export safe products without unnecessary technical barriers,
 - **Consumers** who will be guaranteed to have safe and quality products,
 - **Government authorities**, which will be able to conduct supervision over the implementation of technical regulations, in a more simple and efficient way .

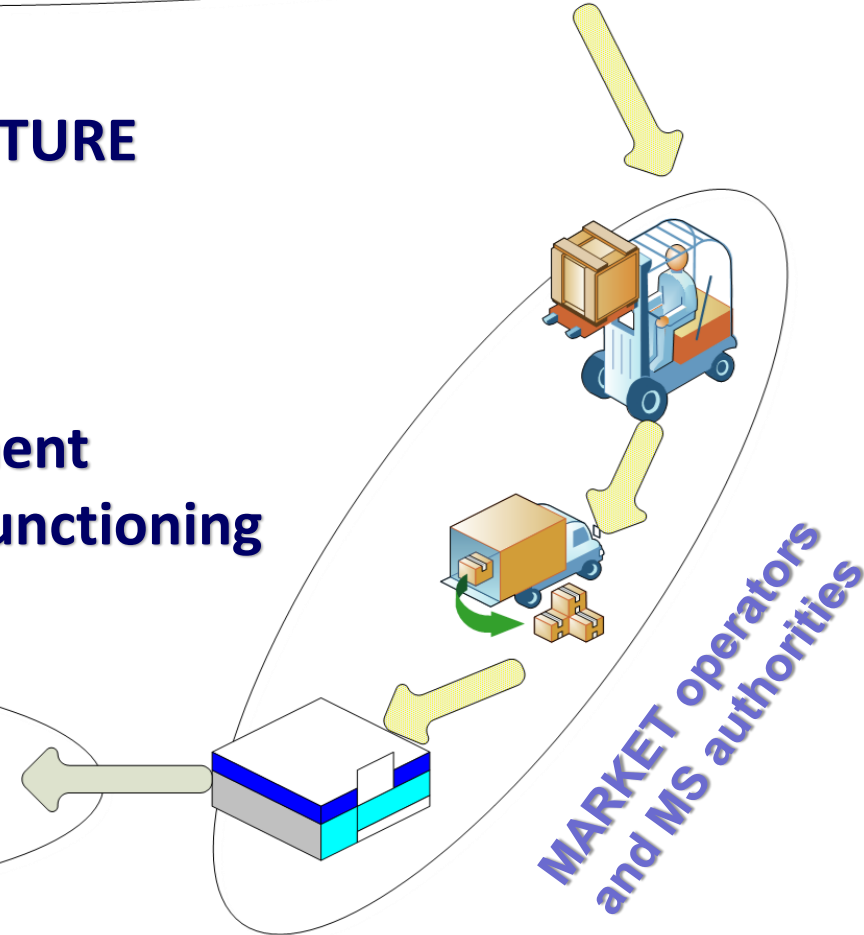
MANUFACTURER



QUALITY INFRASTRUCTURE
Standardization
Accreditation
Metrology
Conformity Assessment
+ Legal framework for its functioning



CONSUMERS



TEAM and main stakeholders

- **Coordinator** → Ministry of Economy formally established working group
- **Technical Assistance - ACCESS Program**
 - GIZ provided expertise in Standardization, CA, MS, General QI issues
 - PTB provided expertise in Metrology and Accreditation
- **Main stakeholders**
 - QI institutions (members of the Working group):
 - ISS - Institute for Standardization of Serbia
 - ATS – Accreditation Body of Serbia
 - DMDM – Directorate for Measures and Precious Metals
 - Economic operators (CABs and their associations + 40 companies visited and interviewed) and their associations (PKS – ad-hoc consultations)

Scope ?

- Generally speaking, national quality infrastructure supports development of all industrial branches given that it represents the basis for safety and quality of all products, in all phases, from design, through production, to their placing on the market (and use).
- However, Ministry of Economy together with GIZ ACCESS Program conducted 4 analysis dominantly from the field of machine building industry, electro-technical industry, metal processing industry, construction products, pressure equipment & vessels, etc. (covered by transposed directives MD, LVD, EMC, LIFTS, PED, PPE...)

How we made NQI Strategy?

Methodology

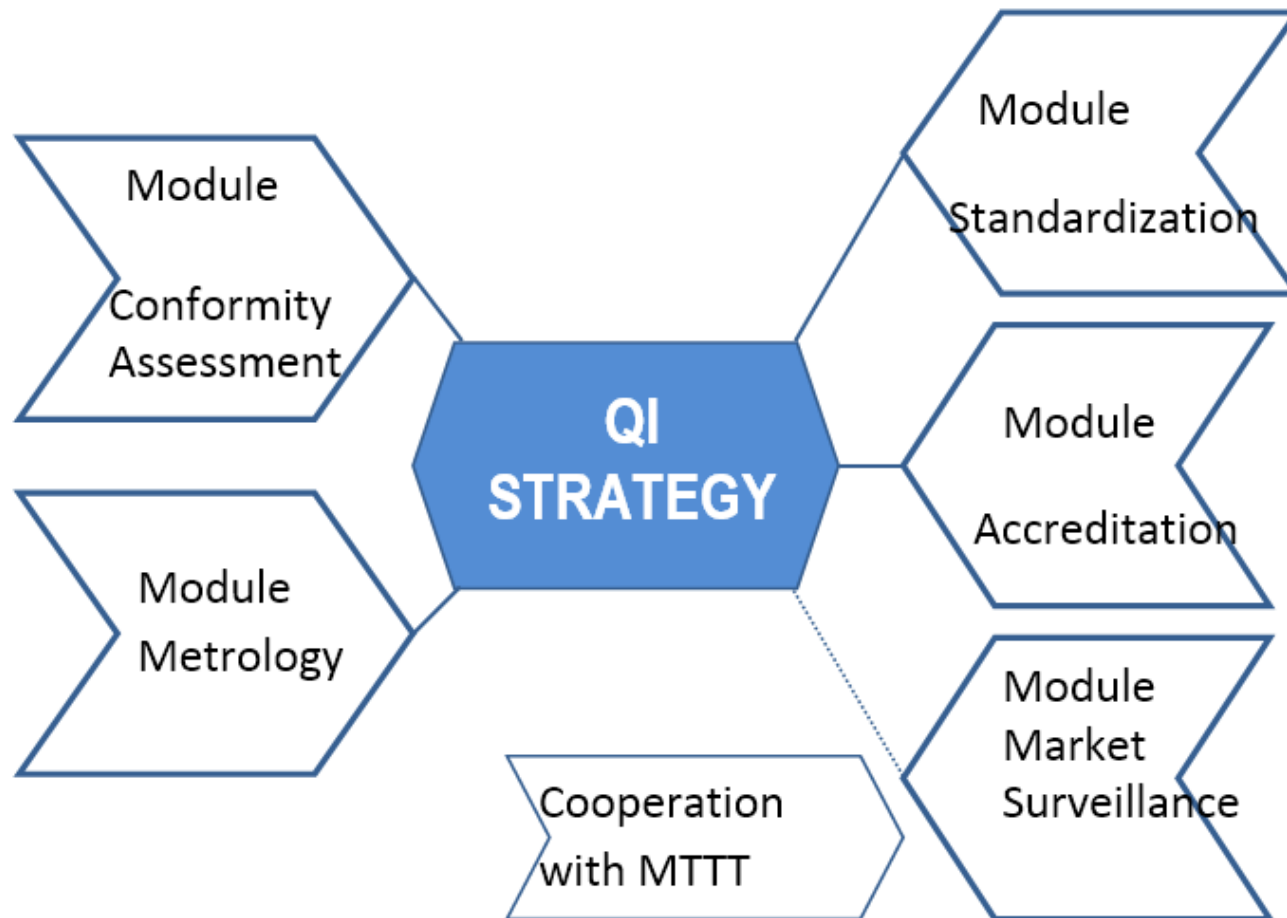
- 1) Main principles used
- 2) Modular approach
- 3) State of the art and major trends of QI in Europe
- 4) Experience of other Countries (Benchmarking with German and Slovenian QI systems)
- 5) Analytical approach ← most important

Methodology is determined on the basis of the current status of QI development, legislation transposed, in line with industry needs (After 5 years of intensive legislative activities regarding harmonization with the EU legislation and institutional capacity building in the area of quality infrastructure).

M1) Principles used

- Principles used in the development of this Strategy were:
 - harmonization with the relevant national strategies and international rules and good practices
 - Industrial Development Strategy (2011-2020),
 - Fiscal Strategy for 2013 with projections for 2014 and 2015
 - Market Surveillance Strategy,
 - National Strategy for the EU-accession and National Program for Integration of the Republic of Serbia to the EU –NPI (2014-2018)
 - Stabilization and Accession Agreement (Art. 77 and Articles 20 and 21)
 - CEFTA Free Trade Agreement in Southeast Europe.
 - cooperation with the competent institutions, other projects, companies and their associations (PKS, SIEPA, Council of Foreign Investors)
 - balance between the mid-term and long-term development goals.

M2) Modular approach



M3) QI Trends in Europe

- New goods package
- Regulation 1025/2012, The new Regulation clearly strives at making participation in European standardization work more direct and immediate for the largest possible scope of stakeholders, giving maximum attention to more vulnerable stakeholders (consumers, economic operators that have scarce resources to invest in standardization, such as SMEs, etc).



Balance between harmonized and non-harmonized area and their connection with product safety

M4) Benchmarking with QI systems of Member States

- Germany – Study tour was organized for Core WG, to German Federal Ministry responsible for QI policy, DIN, DAKKS, PTB, German Consumer Association - Stiftung Warentest...
- Slovenia – Report on Slovenian experience and structures with recommendations for improvement of Serbian legislation and institutions

M5) Analytic approach

- During the first phase of the Strategy development, 4 analyses were conducted:

“DEMAND SIDE”

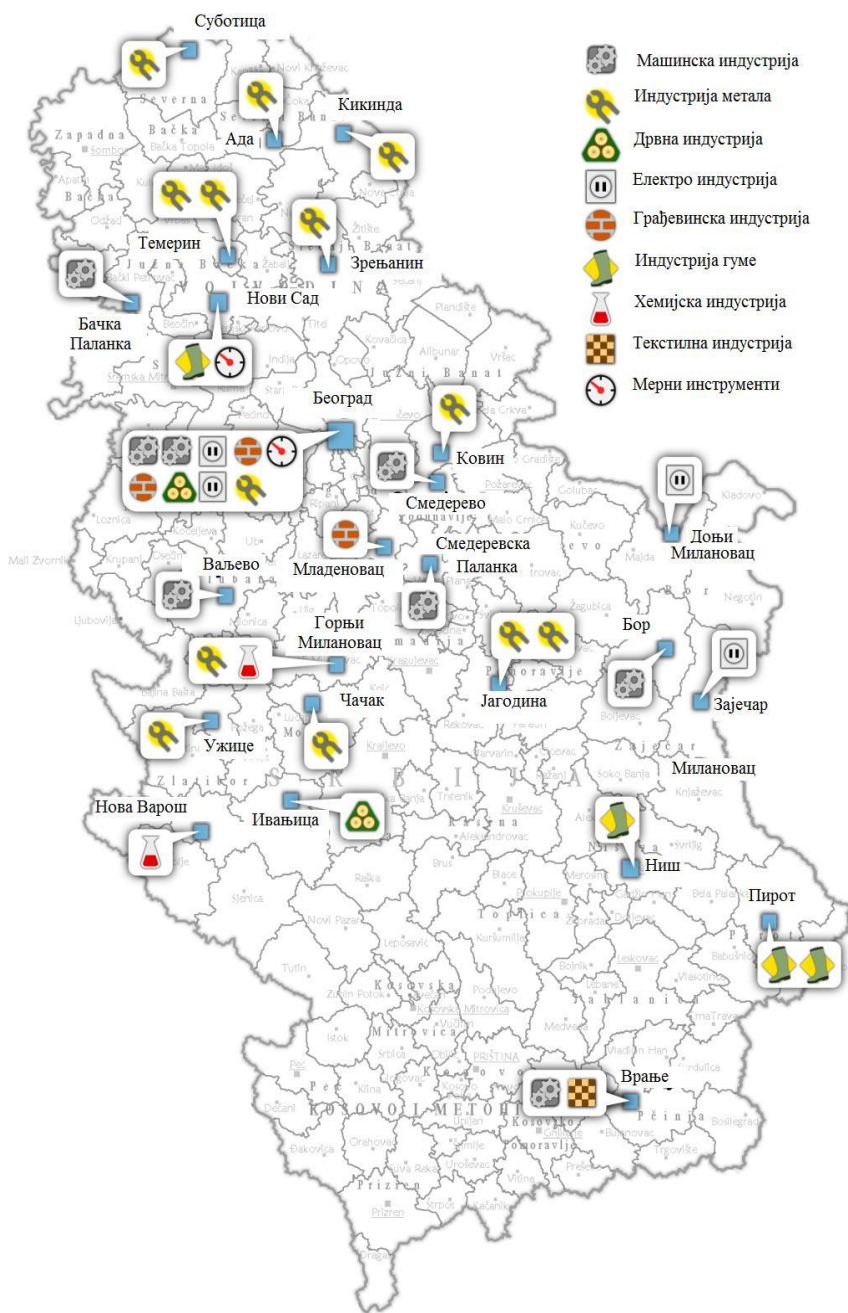
- - Analysis of the industry demand for QI services

“PROVIDER SIDE”

- Analysis of the Conformity Assessment System in Serbia
- Analysis of institutional capacities (ATS, ISS and DMDM) in the QI area
- Analysis of functionality of the new legislative framework

Ministry and GIZ/PTB prepared **a questionnaire** and **conducted interviews** with the economic operators identified as key industry representatives in the relevant sectors.

Selection of the economic operators is performed based on available data from the Agency of registers of economic operators (APR), Serbian Chamber of Commerce and Industry (PKS), Serbia Investment and Export Promotion Agency (SIEPA), Sector for Industry in the Ministry and list of CABs clients.

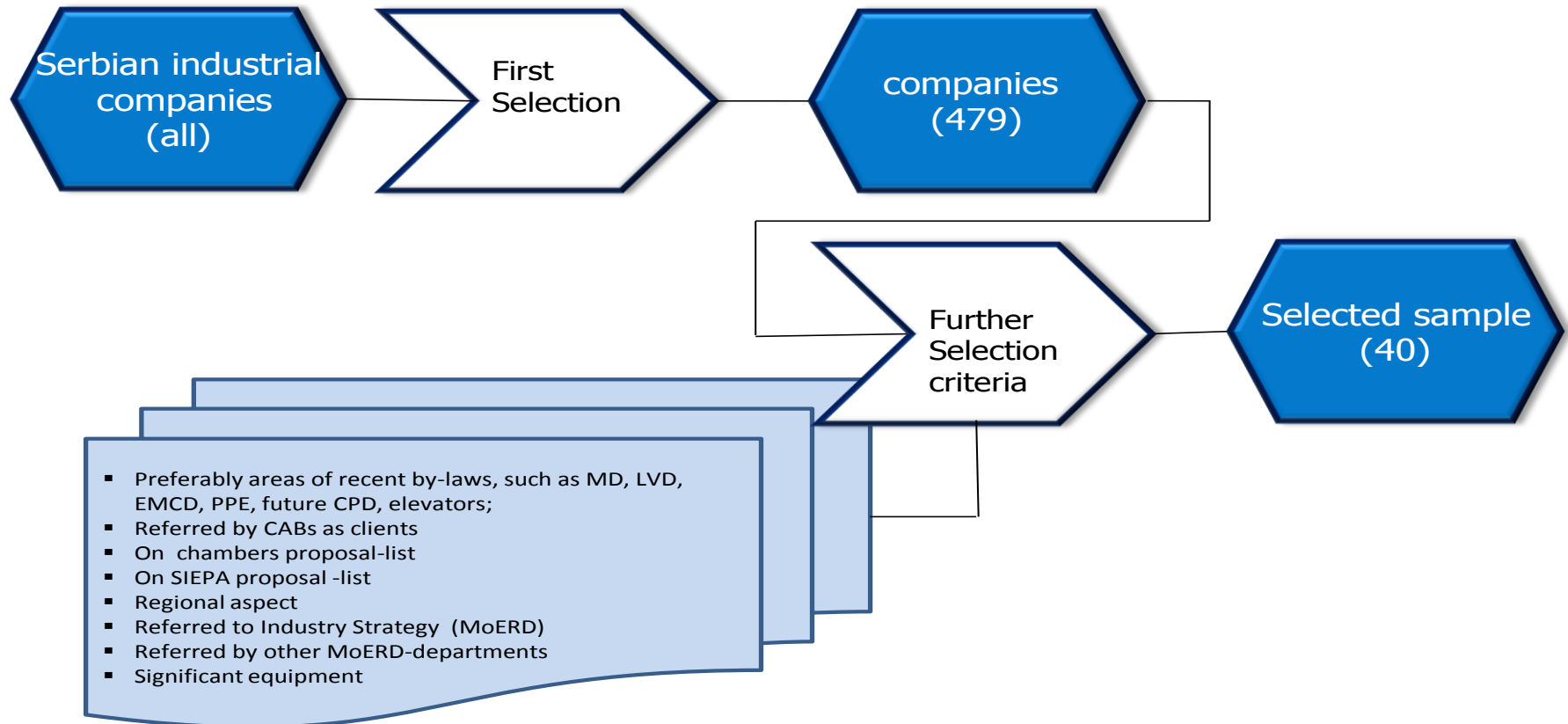


Industry analysis

- Sample of 40 companies
- Economic operators interviewed came from sectors covered by the European directives on machine safety, lifts, low voltage equipment, electromagnetic compatibility, personal protective equipment, pressure equipment and construction products.
- The feedback of economic operators was very positive and expressed their appreciation for being included in the process of elaboration of strategy document in its earliest phase. Thanks to this approach collected information was of high quality.
- Analysis of the industry needs referred to the knowledge of and implementation of technical regulation, application of European standards, certification of products and management systems (QMS, EMS, OHSAS, and etc.), as well as analysis of the related needs of economic operators regarding QI services.

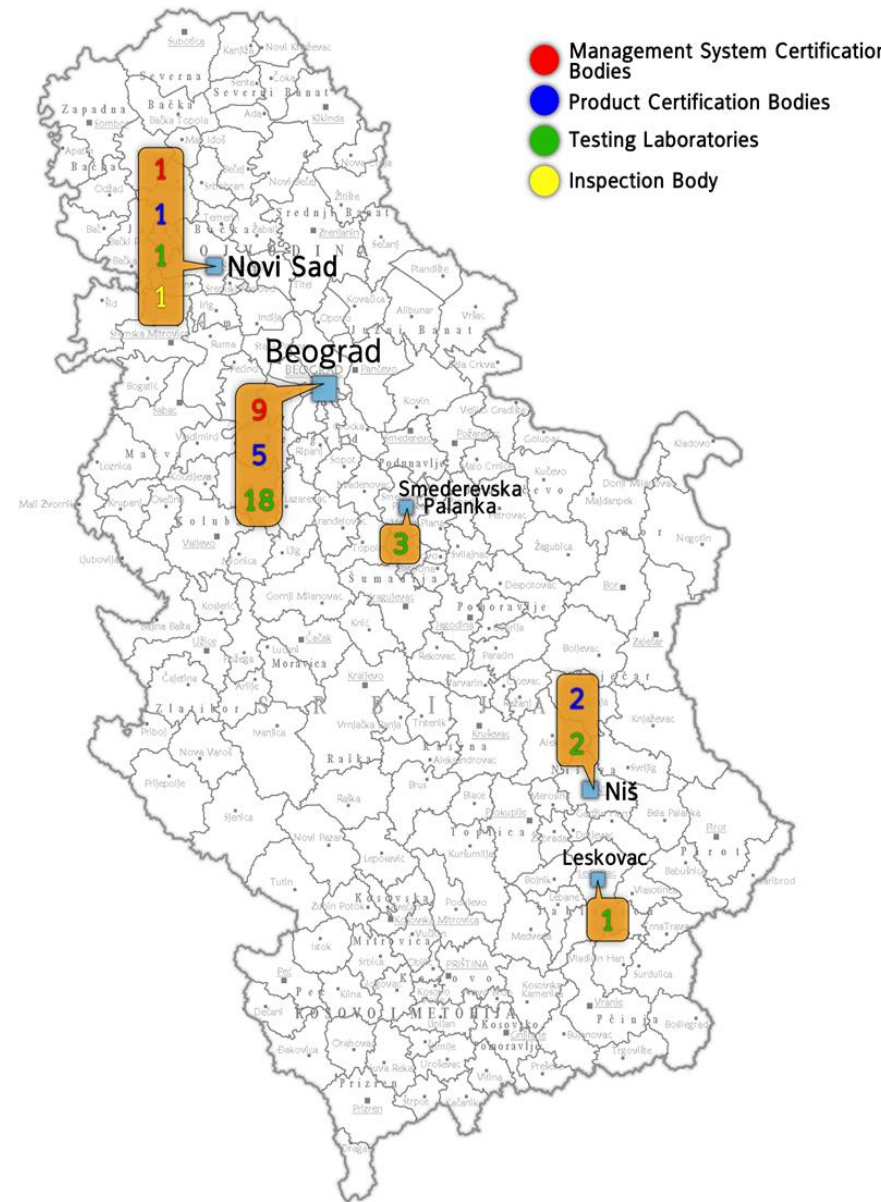
Selection process of industrial companies - manufacturers

Selection process : sample of companies



PROVIDER SIDE analysis

- Conformity assessment module is a central part of the analysis, as CA provides services (benefits) to **manufacturers, service providers, users, consumer's health, safety and regulators.**
- GIZ and Ministry created a **Questionnaire** against which all selected CABs were assessed.
- More than 35 CABs were visited, interviewed, and (approx. 10 product certif. bodies, 28 labs, 10 M systems certif. bodies...) and team visited the testing facilities - if existed.
- Mode of Assessment was conducted as a combination of **gap-analysis, commitment raising, minor consultancy, discussion and base-line survey** also in the view of future co-operations and support-measures (IPA).
- The assessment was not meant to view CABs in terms of competence checked within accreditation system.

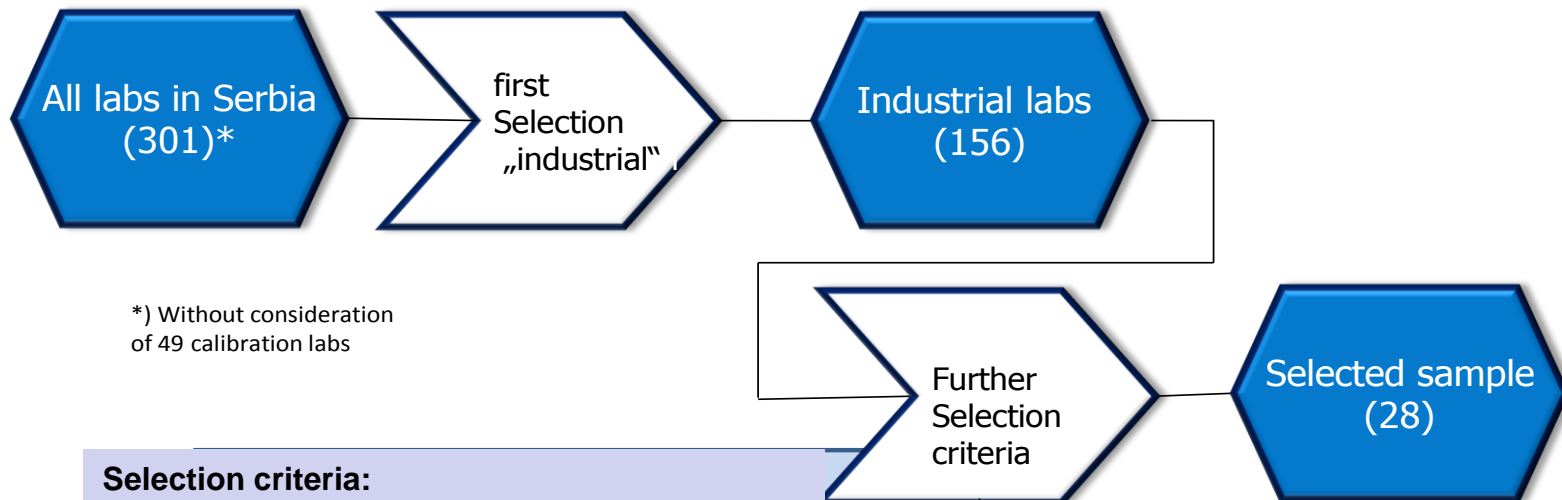


Original map image source:

Yytop, Administrative divisions of Serbia as of late February 2008, http://commons.wikimedia.org/wiki/Atlas_of_Serbia

Selection process of LABs within the CABs analysis

Selection process : sample of laboratories



*) Without consideration of 49 calibration labs

Selection criteria:

- (ATS-) accredited or accreditation seeking;
- Preferably areas of recent by-laws, such as MD, LVD, EMCD, PPE, future CPR, elevators; etc
- Designations by ministries or other authorities
- Assumed significance for Serbian industry
- Regional aspect
- Nominated cooperation partner by Product Certification Bodies
- Both regulated and voluntary areas
- Significant equipment

Results of Analysis were presented in reports and SWOT tables

EXAMPLE : SWOT analysis of domestic Labs

Strengths

- Competent and experienced staff
- Scientific background at high level for labs work;
- Wide range of scopes accredited;
- Competitive prices compared to international labs with international accreditation.

Weaknesses

- Lack of strategic and business planning;
- organizational structure that causes large fixed costs;
- Missing market overview;
- Change from authority to service provider;
- Missing customer orientation;
- Insufficient networking with EU bodies and (potential) EU customers;
- Still lacking exhaustive knowledge of new legal framework, - aged equipment.

Opportunities

- availability of IPA funds and other projects;
- client pool “credit of trust” and acquisition of new clients;
- increasing importance of CE-marking and Triple A-marking;
- Industry-awareness rising on responsibilities through “self -declaration.

Threats

- changes in demand for mandatory testing in certain areas, in accordance with the new regulation (in some areas mandatory testing will be abolished, in some it will be introduced);
- strong EU/ international competition on the market, especially after transition phase;

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QI Strategy



Vision and Mission

Vision:

Highly developed, balanced, efficient, effective and internationally recognized Serbian QI system, which is a strong support to the competitiveness of the domestic economy and whose key players are regional leaders in the areas of metrology, standardization, accreditation and conformity assessment.

Mission:

Serbian quality infrastructure system, professionally and timely responding to demands of economy, enables trade without unnecessary technical barriers, ensures that safe and quality products are placed on the market, ensures high level of consumer health protection and safety and increases competitiveness of Serbian products on national and international markets and furthers the overall economic development of the Republic of Serbia.

Strategic QI development goals

GENERAL GOALS

- I To ensure preconditions for free movement of goods without creating unnecessary barriers to trade
- II To achieve high level of development of key elements of QI: metrology, standardization, accreditation and conformity assessment, that comply with European and international rules and which are recognized by the relevant European and international organizations
- III To achieve full and efficient implementation of legal and institutional QI framework
- IV To ensure high level of consumer health protection and safety, protection of property, protection of environment and other public interest
- V To enhance competitiveness of economy and industry innovations, as well as development of socially responsible management and society in general

Monitoring the results of Strategy implementation

- Dynamics and instruments for the operational implementation of the Strategy will be elaborated in detail through **ACTION PLANS** and mechanisms for the monitoring of the Strategy implementation.
- MOE will be responsible for monitoring of the results of implementation of annual Action Plans and Strategy in general (to **COLLECT INFORMATION ON THE IMPLEMENTATION OF THE ACTIVITIES FROM ALL STAKEHOLDERS; ORGANIZE WORKING MEETINGS WITH INTERESTED PARTIES; SUBMIT AN ANNUAL REPORT TO THE GOVERNMENT...**)
- NQI strategy will be basic document used during the programming of foreign assistance in this area.

QI Strategy vs. NPAA

QI Strategy 2015-2020

- **GOAL:** Modern and sustainable QI system to support industry needs, in line with National strategic document
- Specific objectives, planned measures to reach goals - defined in Strategy
- Annual plan of Activities, responsible authorities and deadlines will be defined in Actions plans adopted by Government
- Support for realization of NPAA objectives

NPAA 2014-2018

- Precise plan for harmonization of legislative system with overview of current status
- Planned measures for the period 2014-2018.
- Administrative capacity
- Measures to implement obligations from the SAA
- Overview of ongoing and planned project of assistance
- Financial aspects of the planned measures

Lessons learned from Strategy drafting

Challenges, Recommendations

- **Does the Strategy fit with what's going on in the environment in this moment?**
 - Analytic approach (to clearly define the boundaries of the system – industry sectors, in accordance with the resources available)
 - Industry needs are in the centre (cooperation with Chamber of Commerce and other associations, especially in the phase of sample selection)
 - Period of time between carrying out analysis and adoption of strategy should not be too long
 - **Obligation from the accession process** (transposition/implementation of directives with clear milestones) **should be consistent with QI Strategy (or should be a part of this Strategy – post screening obligations)**
- **Are the elements/goals of the Strategy internally consistent?**
 - If the answer is YES → precondition for successful implementation
- **Does strategy exploit our resources and do we have enough resources to implement strategy?**
 - Budget constrains, austerity measures in all countries
 - IPA and other bilateral donors' support will be necessary for implementation of Strategy

Thank you for your attention



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