

Twinning Fiche

Project title: Advancing the Capacities of the Market Surveillance Agency of Georgia

Beneficiary administration: LEPL Market Surveillance Agency of Georgia (MSA) Ministry of Economy and Sustainable Development of Georgia

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EU funded project

TWINNING TOOL

List of Abbreviations

- AA- Association Agreement
- DCFTA The Deep and Comprehensive Free Trade Area
- **BA** Beneficiary Administration
- **EU** European Union
- MS Member State
- MSA Market Surveillance Agency of Georgia
- GAC Georgian Accreditation Center
- GEOSTM Georgian National Agency for Standards and Metrology
- MoJ Ministry of Justice
- **PA** Public Administration
- PAO Programme Administration Office
- PL Project Leader
- PSC Project Steering Committee
- **RS** Revenue Service
- **RTA** Resident Twinning Adviser
- SME Small and Medium Enterprises
- **STE –** Short Term Expert
- TBT Technical Barriers to Trade
- TCSA Technical and Construction Supervision Agency
- LEPL- Legal Entity of Public Law
- PTB National Metrology Institute of the Federal Republic of Germany
- **PROSAFE** The Product Safety Forum of Europe

1. Basic Information

- 1.1 Programme: "Support to the Implementation of the EU-Georgia Association Agreement and Migration Management" OPSYS reference: ACT-60617 linked to JAD.943430
- **1.2** Twinning Sector: Standardisation and certification, Trade & Industry (EC)
- **1.3** EU funded budget: € 1,200,000
- **1.4** Sustainable Development Goals (SDGs): N16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.
- 2. Objectives

2.1 Overall Objective:

The overall objective of the project is to support a further effective fulfilment of the obligations prescribed in the EU-Georgia Association Agreement (AA) / DCFTA and Energy Community Treaty in the field of Market Surveillance.

2.2 Specific objective:

The specific objective of the project is to further support the Market Surveillance Agency of Georgia (MSA) to strengthen the legal and institutional framework for market surveillance and to enhance consumer protection.

2.3 The elements targeted in strategic documents i.e. National Development Plan/Cooperation agreement/Association Agreement/Sector reform strategy and related Action Plans

The Twinning project is in full compliance with the requirements of the Association Agreement (AA) between EU and Georgia, including DCFTA, particularly its Chapter on Technical Barriers to Trade (TBT) and aims to facilitate further effective fulfillment of the objectives stipulated therein. According to the AA, Title IV, Chapter 3, Article 47, '*Approximation of technical regulations, standards, and conformity assessment*' Georgia shall have the necessary measures in place in order to gradually approximate Union's technical regulations, standards, metrology, accreditation, conformity assessment, market surveillance and other corresponding systems.

As per the Association Agenda between The EU and Georgia (2021-2027), the cooperation between Georgia and the EU includes developing legislation which Georgia committed to implement; Further development of the infrastructure related to the administration of standards, technical regulations, metrology, market surveillance, accreditation and conformity assessment including through support from the European Union. Facilitating the preparation and adaptation of stakeholders; Strengthening administrative capacities of market surveillance bodies and also further staff training for the administration of responsible government bodies and agencies. As per the Energy Community Treaty, Georgia is supposed to have the relevant legislation in place in line with the *Union acquis* for the purposes of labelling and standard product information of the consumption of energy and other resources by energy-related products. Market surveillance on the relevant energy-related products need to be carried out accordingly.

DCFTA Implementation Action Plan for 2021-2027¹ prioritizes the following objectives to be met:

- Legal approximation to the relevant EU legislation as per the AA agenda;
- Development of a risk assessment system for the purposes of market surveillance and providing the related software;
- Elaboration of a long-term institutional development strategy for the MSA;
- Establishing an electronic information system on hazardous products;
- Further training of the MSA staff in line with the existing priorities;
- Pilot (practical) studies of the MSA staff in line with the existing priorities;
- Enhancing the knowledge of the MSA staff in terms of the relevant European regulations, directives and best practices of EU countries;
- Establishing cooperation with the market surveillance bodies and laboratories around the EU;
- Preparing awareness raising materials for businesses and consumers;

The importance of conforming the market surveillance system of Georgia to the best practice of the EU is also highlighted by Multi-annual Action plan for the Market Surveillance on the Industrial and Construction products approved by the Decree N641 of 30 December, 2016 of the Government of Georgia. Multi-annual Action plan particularly targets the actions to be taken till 2022 and highlights the importance of meeting the following objectives:

- Legal approximation to the relevant EU legislation as per the AA agenda;
- > Ensuring the institutional effectiveness of the market surveillance organizations;
- Raising awareness of the economic operators and the relevant stakeholders as to the product-specific legal requirements;
- > Enhancing the competence of the market surveillance inspectors in the relevant fields;
- > Aligning market surveillance procedures with the European best practice.

Governmental Programme 2021-2024 "Toward Building a European State²" further highlights the importance of the component of full EU integration, which, *inter alia,* includes effective fulfilment of the undertakings as per the AA and adopting the opportunities offered by it, including the DCFTA component.

¹ Relatively short-term DCFTA Implementation Action Plan for 2021-2023 has also been prepared. The priorities emphasized by this plan is included in the Action Plan for 2021-2027.

² <u>https://www.gov.ge/files/41_79014_435561_govprogram.PDF</u>

3. Description

3.1 Background and justification:

Background

The Market Surveillance Agency (MSA) is a legal entity of public law (LEPL) under the structure of the Ministry of Economy and Sustainable Development of Georgia (MoESD). Until 2020, the state body responsible for market surveillance in Georgia was the LEPL - Technical and Construction Supervision Agency (TCSA). The TCSA also operates under the umbrella of the MoESD, which is a policy maker in the field. In 2018 a structural unit - Market Surveillance Division was established within the TCSA to perform market surveillance functions.

Since 1 January 2020, MSA, partly a successor of the TCSA, started its operation being deemed solely responsible for market surveillance on certain non-food products placed on Georgia's market.

The mission of the MSA is to prevent and ensure that hazardous products are not placed on Georgia's Market in order to protect the health and safety of citizens, as well as the environment and the property. The MSA aims to conduct market surveillance in accordance with the EU best practices and maximize the level of consumer protection and awareness.

By the start of 2020, Georgia had approximated a number of pieces of legislation in the field of market surveillance covering the following non-food products: Lifts; Cableways; Hot Water Boilers; Pressure Equipment; Simple Pressure Vessels; Construction Products (cement, cables, plastic pipes, reinforcing steel); Child-resistant lighters; Products appearing to be other than they are. Consequently, these products have been subject to market surveillance inspections selectively upon risk assessment and/or received complaints from the different stakeholders.³

From 2020 on, number of Georgian technical regulations have been introduced on the basis of the EU legislation covering the following non-food products: toys, machinery, equipment and protective systems for use in potentially explosive atmospheres, personal protective equipment, appliances burning gaseous fuels⁴. Thus, the mandate and scope of the MSA's competence has been extended to these fields, subjecting those products to the market surveillance as well.

In order to effectively assess the current situation in the field of Market Surveillance and the institutional capacities of the MSA, it is crucial to identify the strengths of the organization, which, inter alia, include:

- Having established the institution directly and solely responsible for market surveillance on non-food products;
- Solid legal framework prepared through the active consultations with the EU experts and close cooperation with the respective Governmental agencies;
- Close cooperation of the MSA with the LEPL Revenue Service through a unified IT platform;
- Growing public interest and positive attitude towards the activities of the MSA.

³ For the Georgian technical regulations in place, see the p.13, para. 3.4.List of applicable Union acquis/standards/norms

⁴ For the Georgian technical regulations in place, see the p.13, para. 3.4.List of applicable Union acquis/standards/norms

Considering the fact that the market surveillance system in Georgia is in the early stages of its development, various challenges emerge. Weaknesses identified include the following factors:

- Lack of technical knowledge and experienced professionals;
- Scarcity of laboratory resources.

Taking into account these factors, in order to develop a market surveillance system, present opportunities should be identified and utilised as much as possible, which may include extending the cooperation with the market surveillance bodies around the EU with an aim of sharing the knowledge and taking into consideration the best practices adopted by them.

Alongside the opportunities, existing threats must be taken into account, e.g. potential threat can be readiness and capacity of businesses to meet product safety requirements. With an aim of eliminating this threat, MSA with support from all the relevant stakeholders should have active communication with the businesses, consider their needs and respectively support them.

Cooperation at the internal level

For the effective functioning of the Quality Infrastructure system as a whole, cooperation of the MSA with the following public authorities is essential:

LEPL - Unified National Body of Accreditation - Georgian Accreditation Center (GAC) - GAC is a National Public Authority operating under the system of Ministry of Economy and Sustainable Development of Georgia, which is responsible for attesting the compliance of the conformity assessment bodies with the requirements of the accreditation scheme. GAC grants accreditation in accordance with International Standards to the conformity assessment bodies like Testing and Calibration Laboratories; Inspection Bodies; Product, Processes and Service Certification Bodies; Proficiency Testing Providers etc.

LEPL - Georgian National Agency for Standards and Metrology (GEOSTM) - the mandate of the GEOSTM includes developing and implementing state policy in the field of standardization and metrology, coordinating the relevant activities in the field, managing the register of the standards and ensuring the publicity of the list of standards. GEOSTM ensures to set rules, principles and general characteristics related to the products and production methods, ensuring adaption of International and Regional European standards as Georgian standards.

LEPL - Revenue Service (RS) –is the Legal Entity of the Public Law under the Ministry of Finance of Georgia. RS is responsible for carrying out tax control, customs control and customs supervision. Based on the joint order Nº224 / Nº1-1 / 349 of the Minister of Finance of Georgia and the Minister of Economy and Sustainable Development of Georgia of 17 July, 2019, a unified electronic platform (system) of the MSA and the RS was created, through which the economic operator uploads the advance notice of the import of the construction product. In 2021 the system has expanded to include other products such as: toys, machinary, personal protective equipment, gas appliances (joint order Nº166 – Nº1-1/317 of the Minister of Finance of Georgia and the Minister of Economy and Sustainable Development of Georgia of 9 July, 2021). The close cooperation with the Customs make it possible to have a more viable tool in place which, on the one hand, serves as a perfect database of imported product, being a tool for communicating with economic operators at the same time. Since the unified IT platform is already adequately operational, a further assistance from Twinning project is not required.

Justification

As per the requirements of the Annex III – A^5 and Annex III – B^6 of the Association Agreement (AA) between Georgia and the EU, Georgia is supposed to approximate its legislation to the relevant EU legislation; Develop the operational procedures related to the market surveillance according to the EU best practice; Facilitate the adaptation process of the relevant stakeholders including economic operators as to the requirements of the approximated legal framework and ensure further training for the responsible government bodies and agencies. Furthermore, having ratified the accession agreement to the Energy Community Treaty in 2017, Georgia enjoys all the rights of the Contracting Party as well as assuming all obligations, including the commitment to approximate Georgia's energy sector with the EU energy market rules and the *Union acquis*.

In order to meet the requirements thereof and to tailor the market surveillance system of Georgia to the best practice of the EU, MSA is supposed to approximate relevant EU Directives/Regulations and accordingly enforce them;⁷ Market surveillance needs to be conducted taking into account the European best practice, institutional capacities need to be strengthened and awareness of the businesses and consumers needs to be enhanced.

Considering the fact that the MSA, as a new institution has been established in the beginning of 2020 and more products stipulated in the approximation agenda are to be added to the scope of market surveillance, EU assistance and institutional strengthening is essential to meet the market surveillance objectives.

It will naturally take time for the current staff and new inspectors of the MSA involved in the implementation of EU approximated product safety laws and practices to develop the necessary skills and knowledge to apply and deliver the necessary controls. Along with the already approximated fields, the mandate of the MSA will be further widened during the course of the following years, subjecting other products to the market surveillance as well. Thus, MSA will be challenged to take into account all the technical details of those fields, prepare the drafts of the technical regulations and get equipped with the technical knowledge as per the EU directives, guidelines and the standards, so that once the Georgian Technical Regulations are implemented inspectors will know how to actually perform market surveillance on those products, what factors/characteristics of the products should be taken into consideration etc. Thus assistance of the Twinning project will be necessitated to support the officers in further enhancing the knowledge and skills through product-specific trainings and workshops to perform their responsibilities effectively in general accordance with the EU model. Additionally, for the purpose of institutional development, international cooperation of the MSA with the relevant market surveillance bodies around the EU as well as laboratories need to be established.

Moreover, The EU best practice of efficient and effective regulatory enforcement is based on a principle that information and communication technologies should be used to maximise risk-focused and coordinated market surveillance for which information-sharing as well as optimal use of resources is of the essence. Therefore, an electronic system enabling collecting and analyzing information, also

⁵ List of sectoral legislation for approximation

⁶ Indicative list of horizontal legislation

⁷ For more information, see the p.13, para. 3.4.List of applicable Union acquis/standards/norms

calculating risk scores for products and filtering statistical data in accordance with given parameters, needs to be developed. The MSA staff using statistical data generated by the system will be able to efficiently prioritize products subject to inspection within the scope of market surveillance. Further, the system will simultaneously serve as a risk assessment tool and an electronic database, holding all the information on the businesses, products, inspection, sampling, complaint records etc. In the framework of the EU funded project "Facility for the implementation of the Association Agreement in Georgia II", general description of the MSA IT system has been prepared. The next step is to prepare technical specifications for development of the IT System. In order to prepare technical specifications, it is necessary to compare several IT systems of market surveillance bodies from the EU MS countries, to select the necessary features from them and adapt to needs of the beneficiary. For this purpose, involvement of EU MS experts with sufficient experience of market surveillance IT systems will be necessary. Technical specifications shall consist of detailed description of all the features for the IT system to make it an effective and efficient market surveillance tool. Thus, assistance of the Twinning project in this regard is demanded. .

In order for the market surveillance system to function effectively, enhancing the public awareness and the readiness of the relevant businesses to meet the product safety requirements need to be ensured. Since market surveillance is still new field for Georgia, appropriate arrangements need to be carried out so that the visibility of the MSA and its activities is improved, general public awareness is enhanced and the relevant stakeholders are aware of their responsibilities deriving from the market surveillance legislation and product-specific regulation. With the assistance of the EU project "Facility for the Implementation of the Association Agreement in Georgia II" the website of the agency. An electronic tool for publicising information on the dangerous non-food products is incorporated in the website. The website currently is in the testing, pre-initiation phase and is not fully functional, it will need to be assessed, revised and transformed into sophisticated platform in order to bring it into the line with EU MS best practice. Considering these objectives, support from the Twinning project is required. Assistance from Twinning project shall consist of gap analyses of the whole website, especially, of an electronic tool for publicising information on the dangerous non-food products and relevant recommendations, which will adequately be considered and implemented by the beneficiary.

In accordance with the best practice techniques in market surveillance, monitoring the market involves taking product samples and investigating those samples in order to determine their safety. For assessing the safety properties of products, the beneficiary needs tools and tests enabling it to carry out the more basic investigations on site. Majority of relevant screening test equipment is not available in Georgia. Hence beneficiary needs a support of the Twinning project in the way of proposing suitable test equipments and providing relevant assistance in this regard.

Taking into account the background information provided above, it is evident that for the purposes of aligning market surveillance system of Georgia to the EU model, MSA further requires assistance from the EU in terms of implementing and enforcing the legislation, improving the institutional capacities and enhancing the consumer protection awareness. The new Twinning project, building on the outputs achieved through the delivery of the previous project, will enable further strengthening of the MSA by strengthening the organization, planning, management and delivery of market surveillance activities; The new project will help in delivering advanced and more specific training to the current and new market surveillance inspectors and other staff members as well as supporting the development of organizational, planning and delivery skills in market surveillance. The new project will provide support to the economic operators and the consumers to better understand

their rights and obligations, so that market surveillance is conducted in line with European best practice and the health and safety of consumers is protected.

Furthermore, building on the lessons learnt and the Better Regulation agenda promoted at the EU level⁸, this Twinning project will contribute to the overall public administration reform in Georgia by ensuring the introduction of an inclusive and evidence-based approach to policy-making and legal drafting in the respective sector. It will also pay specific attention to accountability and reporting lines between concerned institutions. MSA will ensure participation of the representatives of stakeholders in the actions to be undertaken through the project implementation period.

3.2 Ongoing reforms:

The most significant reform in the field of market surveillance was establishment of the MSA back in 2020 as a state authority in charge of market surveillance on certain consumer and industrial products. The establishment of the sole responsible organization has contributed to the general raising awarenes of the consumers and businesses in terms of market surveillance procedures. Consequently, the cooperation with the relevant skateholders has further stimulated assessment of the existing Georgian legislation and coming up with the subsequent changes.

As mentioned above, by the beginning of 2020, Georgia succesfully approximated relevant EU legislation, particularly in TBT sector, and Georgian technical regulations have been established in the following fields: Toys, Personal Protective Equipment, Machinery, Appliances Burning Gaseous Fuels and Equipment and Protective Systems intended for use in potentially explosive atmospheres. Since 2020 up until July 2021 (date of enforcement of the technical regulations) regular visits, as well as online meetings are arranged with the relevant economic operators with an aim of raising their awareness of the product-specific requirements. Consequently, readiness of the business for the product-specific regulations is being further enhanced.

In the context of the ongoing reforms, the cooperations with the Revenue Service (Customs department) is particularly noteworthy. In case the RS holds the information as to the hazardous products intended to be imported, it is responsible not to allow the import of such products and inform the MSA of such incompliances. Cooperation is particularly facilitated by the unified electronic platform (system), enabling the economic operator to upload the "pre-notification of import" along with all the relevant documentation demonstrating safety of products before actually importing the products.⁹ Consequently, existing documentary incompliances can be identified at an early stage, significantly facilitating the whole process both for economic operator and the MSA and mitigating/avoiding the costs of importing the incompliant product.

Since the esteblishment of the MSA, more than 22 000 pre-notifications of import on consumer and industrial product have been reviewed and more than 500 economic operators have been inspected. In addition, approximatly 150 different types of product samples have been taken and sent to the relevant accredited laboratories (including abroad).

⁸ <u>http://ec.europa.eu/info/files/better-regulation-better-results-eu-agenda-0_en</u>

⁹ The MSA assesses the documentation within 3 working days and decides if they are in compliance with the relevant requirements or further investigation (including laboratory check) is required.

Further, an electronic tool for publicising information on the dangerous non-food products is incorporated in the website which currently is in the testing, pre-initiation phase. This is a significant step for the enhancement of the safety of the consumers, since, through this tool, consumers will be instantly made aware of the non-conforming and dangerous products identified on the Georgian market.

General Policy and legislative process

The National Policy Planning System Reform Strategy, adopted by the Government of Georgia in August 2015 recognizes the current weak link between the policy planning process and legislation drafting, the absence of practice of legislative impact assessment and the weak institutional capacity of ministries in legal drafting. The OECD/SIGMA 2018 assessment in the policy development and coordination area highlights a number of weaknesses in the quality of policy planning (costing, monitoring, coordination and public consultation), which are currently being addressed through the PAR roadmap and action plan. The document specifically notes the reoccurring problem with implementation of laws, which can be attributed to the low quality of laws due to weaknesses in the law-making process. There is a pressure to complete numerous legal reforms in the shortest possible time. Improvement of the legislative drafting process and quality of legislation is now a priority area of action for the Administration of Government under the Prime Minister (steering the policy-making process) and all line ministries. This primarily involves the Administration of Government, Ministry of Justice, and Ministry of Economy and Sustainable Development. In order to meet the targets and obligations in law making process the Government introduced changes in Law on Normative acts (amended on June 13, 2018) and Regulation of the Government (amended on August 24, 2018). These amendments put more emphasis on concordance with union acquis and Regulatory Impact Assessment (RIA.)

In line with the 2018 OECD/SIGMA recommendations, a new Government decree was adopted end of 2019 and with its supporting Handbook on Public Policy Making, now lays the regulatory and procedural foundation for good evidence-based policy development. It has quickly become the primary guidance document for Ministries. Nevertheless, its implementation requires comprehensive training and support, to ensure better integration between policy and budget planning, and building the right capacities, structures and processes in the relevant ministries. Some key issues in the area are inter- and intra-institutions coordination, capacities in data analysis, policy budgeting, gender responsive budgeting. The introduction of a mandatory Regulatory Impact Assessment for specific legislation since January 2020 is also an important milestone, but also requires extensive training for proper implementation.

For increasing coordination and strengthening effectiveness of the legal approximation process in the country, on January 30, 2020 Government of Georgia adopted Legal Approximation Guidelines¹⁰ that will provide additional guidance to all the line Ministries involved in the legal approximation process under the AA. The Guidelines prepared by the Ministry of Justice provide key principles and techniques of approximation that will assist and orient legal drafters throughout the approximation process. The Guidelines should be used consistently, not only by MoJ, but also by all line ministries, and

¹⁰ https://matsne.gov.ge/document/view/4786582?publication=0

institutions tasked with the approximation exercise. Such proceedings will help to ensure the achievement of a steady and sustainable approximation path.

3.3. Linked activities:

The EU Technical Assistance Project - "Support to the Technical and Construction Supervision Agency to improve the national market surveillance system in accordance with EU best practices" was implemented at the TCSA. Duration 2015-2016.

Within the project framework, along with the European experts, legislative gaps and institutional development needs in the field of market surveillance were identified, as well as adopting number of measures with an aim of supporting the institutional development of the TCSA. Upon the completion of the project, the relevant recommendations were provided by the experts as to the measures to be taken in terms of institutional and legislative development of the LEPL - Technical and Construction Supervision Agency.

The EU Twinning project "Strengthening the Capacities of the Technical and Construction Supervision Agency (TCSA) in Development of the Market Surveillance System in Georgia." Duration 2018-2019. The project supported the TCSA to develop a market surveillance system approximated to the EU laws and best practices. Through the assistance of the project, drafts of five Georgian technical regulations have been prepared on the basis of the relevant EU directives/regulations; Relevant stakeholders have been made aware of the upcoming requirements in the field of market surveillance. Further, integration into international market surveillance and consumer protection organizations and structures has been supported.

The EU Twinning Project: "Strengthening Georgian Accreditation System with the Focus on EU Technical Regulations", Period of Implementation: 2019 – 2022. The purpose of the project is to support fulfillment of the commitments of Georgia in the context of the EU-Georgia Association Agreement (AA) and further enhance the accreditation and conformity assessment systems according to the European and International requirements. More specifically, the project aims to support Georgian Accreditation Centre to meet the EU best practice to perform accreditation in the field of EU technical regulations approximated by Georgia.In terms of international support, the cooperation of the MSA with the National Metrology Institute (PTB) of the Federal Republic of Germany is also noteworthy. In 2019 PTB started implementation of the regional project *"Supporting the Eastern Partnership countries in the field of quality infrastructure"* for the Eastern Partnership countries, with an aim of enhancing the knowledge and skills of the MSA and other market surveillance organizations from the Eastern Partnership Countries.

"Facility for the implementation of the Association Agreement in Georgia II"- EU funded; Duration: 2019-2022; Description: The project provides policy advice and capacity building support to the Georgian Government in coordinating the implementation of the Association Agreement, strengthening the institutional capacities of the line ministries and other public institutions to carry out the required reforms, including on policy development and legal approximation processes. In the framework of the project, product-specific trainings have been provided for market surveillance inspectors. Project targets the objective of enhancing the visibility of the MSA and digitalizing market surveillance services and internal procedures. The EU Twinning project *"Strengthening of institutional as well as human capacities of Georgian National Agency for Standards and Metrology (GEOSTM) according to the international/EU best practices* "–Project duration: 2022-2024. The purpose of the project is to further strengthen institutional as well as human capacities of Georgian National Agency for Standards and Metrology (GEOSTM) to meet the requirements derived from the AA and DCFTA through continued legal approximation process, development of National Quality Infrastructure Institutions, alignment of GEOSTM's practices and procedures to the EU ones as well as broadening network in the field of Metrology and Standardization, with special focus on European research programs.e.g. EMPIR).

Related Programmes and Projects

The Public Administration Reform (PAR) is of utmost importance for the country and the process is supported through donor community. The EU total contribution to the "Support to the Public Administration Reform in Georgia" 2016-2019, was EUR 30 000 000 Euro, out of which EUR 20 000 000 was budget support share and EUR 10 000 000 for complementary support. The objective of the programme was to improve the efficiency, accountability and transparency of the public administration of Georgia, in line with the key Principles of Public Administration that have been developed by OECD/SIGMA in close cooperation with the European Commission. It has a particular focus on the improvement of the policy planning and coordination capacities and processes in the central public administration. The professionalisation of the civil service (including the reform of the civil service training system) is also supported through the programmes.

Technical assisantce project "Support to the Public Administration in Georgia"- EU funded; Duration: 2019-2023; Description: The objective of the project is to improve the efficiency, accessibility, accountability and transparency of the Georgian Public Administration in accordance with European principles of Public administration and best practices. More specifically, the project is mainly focused on improving the results-based approach in policy planning, development, coordination, monitoring and evaluation, increasing the awareness of the Civil servants and streamlining the implementation of the civil service reform in public institutions, improving the intra and inter-ministerial business processes related to policy making and service delivery enhancing thus the efficiency of the administration and the quality of service delivery, strengthening policy development and implementation of the Anti-Corruption and transparency national policies, thus increasing the accessibility, accountability and transparency of the executive branch and combating corruption, and raising public awareness and increasing visibility of the Government's public administration reform agenda.

3.4. List of applicable Union acquis/standards/norms:

During the course of 2011-2022, Georgia succesfully approximated relevant EU legislation, particularly in TBT sector. Subsequent Georgian technical regulations, as well as the Law of Georgia on Product Safety and Free Movement Code have been prepared and adopted on the basis of the EU new approach directives and/or regulations. Therefore, project assistance will be particularly required in

terms of reviewing current legislation and providing field-specific trainings as needed. List of applicable *Union Acquis* and the adopted Georgian technical regulations is as followed:

- 1. Directive 2001/95/EC of the European Parliament and of the Council of 3 December 2001 on general product safety;
- Regulation (EU) 2019/1020 of the European Parliament and of the Council of 20 June 2019 on market surveillance and compliance of products and amending Directive 2004/42/EC and Regulations (EC) No 765/2008 and (EU) No 305/2011;
- 3. Regulation (EC) No 765/2008 of the European Parliament and of the Council of 9 July 2008 setting out the requirements for accreditation and market surveillance relating to the marketing of products and repealing Regulation (EEC) No 339/93;
- 4. Directive 2014/35/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to the making available on the market of electrical equipment designed for use within certain voltage limits;
- 5. Regulation (EU) No 305/2011 of the European Parliament and of the Council of 9 March 2011 laying down harmonised conditions for the marketing of construction products and repealing Council Directive 89/106/EEC.

Georgian technical regulation in place: *Technical Regulation on construction products approved by Decree №476 of October 1st 2018 of the Government of Georgia.*

6. Directive 2014/68/EU of the European Parliament and of the Council of 15 May 2014 on the harmonisation of the laws of the Member States relating to the making available on the market of pressure equipment;

Georgian technical regulation in place: *Technical Regulation on pressure equipment approved* by Decree №151 of 19 June 2013 of the Government of Georgia.

- 7. Council Directive 92/42/EEC of 21 May 1992 on efficiency requirements for new hot-water boilers fired with liquid or gaseous fuels;
 Georgian technical regulation in place: *Technical Regulation on hot water boilers approved by Decree Nº149 of 17 June 2013 of the Government of Georgia.*
- 8. Directive 2014/29/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to the making available on the market of simple pressure vessels;

Georgian technical regulation in place: *Technical Regulation on simple pressure vessels approved by Decree №150 of 19 June 2013 of the Government of Georgia.*

9. Directive 2014/34/EU of the European Parliament and of the Council of 26 February 2014 on the harmonisation of the laws of the Member States relating to equipment and protective systems intended for use in potentially explosive atmospheres;

Georgian technical regulation in place: *Technical Regulation on Equipment and protective* systems intended for use in potentially explosive atmospheres approved by Decree Nº83 of 6 February 2020 of the Government of Georgia.

10. Regulation (EU) 2016/425 of the European Parliament and of the Council of 9 March 2016 on personal protective equipment and repealing Council Directive 89/686/EEC;
 Georgian technical regulation in place: *Technical Regulation on personal protective equipment approved by Decree Nº82 of 6 February 2020 of the Government of Georgia.*

- 11. Directive 2006/42/EC of the European Parliament and of the Council of 17 May 2006 on machinery, and amending Directive 95/16/EC;
 Georgian technical regulation in place: *Technical Regulation on machinery approved by Decree* Nº85 of 6 February 2020 of the Government of Georgia.
- 12. Directive 2009/48/EC of the European Parliament and of the Council of 18 June 2009 on the safety of toys;

Georgian technical regulation in place: *Technical Regulation on safety of toys approved by Decree Nº47 of 20 January 2020 of the Government of Georgia.*

- 13. Regulation (EU) 2016/426 of the European Parliament and of the Council of 9 March 2016 on appliances burning gaseous fuels and repealing Directive 2009/142/EC;
 Georgian technical regulation in place: *Technical Regulation on appliances burning gaseous fuels approved by Decree N*^o84 of 6 February 2020 of the Government of Georgia.
- 14. Decision No 768/2008/EC of the European Parliament and of the Council of 9 July 2008 on a common framework for the marketing of products, and repealing Council Decision 93/465/EEC

As per the Energy Community Treaty, Georgia is supposed to conduct market surveillance on the energy-related products envisaged by the Treaty and the relevant EU legislation. Applicable *Union acquis* include:

- 1. Regulation (EU) 2017/1369 of the European Parliament and of the Council of 4 July 2017 setting a framework for energy labelling;
- 2. Regulation (EU) 1059/2010 of 28 September 2010 supplementing Directive 2010/30/EU with regard to energy labelling of household dishwashers
- 3. Regulation (EU) 1060/2010 of 28 September 2010 supplementing Directive 2010/30/EU with regard to energy labelling of household refrigerating appliances
- 4. Regulation (EU) 1061/2010 of 28 September 2010 supplementing Directive 2010/30/EU with regard to energy labelling of household washing machines
- 5. Regulation (EU) 1062/2010 of 28 September 2010 supplementing Directive 2010/30/EU with regard to energy labelling of televisions
- 6. Regulation (EU) 626/2011 of 4 May 2011 supplementing Directive 2010/30/EU with regard to energy labelling of air conditioners
- 7. Regulation (EU) 1254/2014 of 11 July 2014 supplementing Directive 2010/30/EU with regard to energy labelling of residential ventilation units
- 8. Regulation (EU) 2015/1094 of 5 May 2015 supplementing Directive 2010/30/EU with regard to the energy labelling of professional refrigerated storage cabinets
- 9. Regulation (EU) 2015/1186 of 24 April 2015 supplementing Directive 2010/30/EU with regard to the energy labelling of local space heaters
- 10. Regulation (EU) 2015/1187 of 27 April 2015 supplementing Directive 2010/30/EU with regard to energy labelling of solid fuel boilers and packages of a solid fuel boiler, supplementary heaters, temperature controls and solar devices

- 11. Regulation (EU) 65/2014 of 1 October 2013 supplementing Directive 2010/30/EU of the European Parliament and of the Council with regard to the energy labelling of domestic ovens and range hoods
- 12. Regulation (EU) 812/2013 of 18 February 2013 supplementing Directive 2010/30/EU with regard to the energy labelling of water heaters, hot water storage tanks and packages of water heater and solar device
- 13. Regulation (EU) 811/2013 of 18 February 2013 supplementing Directive 2010/30/EU with regard to the energy labelling of space heaters, combination heaters, packages of space heater, temperature control and solar device and packages of combination heater, temperature control and solar device
- 14. Regulation (EU) 874/2012 of 12 July 2012 supplementing Directive 2010/30/EU with regard to energy labelling of electrical lamps and luminaires
- 15. Regulation (EU) 392/2012 of 1 March 2012 supplementing Directive 2010/30/EU with regard to energy labelling of household tumble driers
- 16. Directive 96/60/EC of 19 September 1996 implementing Directive 92/75/EEC with regard to energy labelling of household combined washer-driers

For the purposes of this Twinning project, list of applicable *Union acquis* might be modified depending on the needs of the MSA and amendments in those directives/regulations.

3.5. Components and results per component

The Twinning project will support MSA in the following directions:

Mandatory result 1/Component 1: Market surveillance legal framework enhanced

It is expected that activities carried out under Component 1 will assist MSA in the further approximation and implementation process of the EU legislation as per the AA agenda as well as assisting them in the process of reviewing/assessment of the current market surveillance procedures.

Sub result 1.1: Legal framework for the market surveillance procedures approximated to the relevant EU principles and practices

In order for the sub result 1.1 to be achieved, existing market surveillance procedures in Georgia need to be assessed, proposals for the amendments of the Georgia's market surveillance procedures is to be made, so that compliance with the EU best practice is ensured. Additionally, activities under this Sub result will ensure sharing experiences and information regarding Regulation (EU) 2019/1020 of the European Parliament and of the Council of 20 June 2019 on market surveillance and compliance of products and amending Directive 2004/42/EC and Regulations (EC) No 765/2008 and (EU) No 305/2011 and for the implementation of the Directive 2001/95/EC of the European Parliament and of the Council of 3 December 2001 on general product safety.

Mandatory result 2/Component 2: Institutional capacities of the MSA enhanced

Component 2 is focused on the arrangements that need to be carried out so that proper management and planning of the MSA as a newly established organization is ensured. It is expected that actions under this component will strengthen the capacities of the management and the staff members of the organization, so that daily market surveillance activities are performed in the most effective way possible and skills/knowledge gained is sustainable and further transmitted to the new staff members. The component should also envisage assessment of the MSA's performance in respect of planning and implementation of inspections through simplified checklist which should be developed by the Twinning project. Planning and implementation of inspections will be assessed at the beginning and by the end of the project in order to demonstrate improvement and development in the process.

Sub result 2.1: MSA staff's knowledge of the relevant EU directives/regulations as well as of quality infrastructure system in the EU MS countries enhanced

It is anticipated that activities under this sub result will enable market surveillance inspectors and other staff members to get thorough knowledge on the EU directives/regulations which are already approximated as well as those which will be approximated in the coming years. Additionally, in order to enhance the effectiveness of the MSA's activities, services provided by Market Surveillance organizations in the EU member state (MS) countries has to be assessed as well as database of the laboratories operating in relevant EU countries needs to be established.

Sub result 2.2: International cooperation of the MSA strengthened

It is expected that activities under this sub result will enable MSA to establish close cooperation with the market surveillance organizations in the EU MS countries, in order to get to know the best practice adopted by them, broaden exisiting professional network and to get the practical assistance as needed.

Sub result 2.3: Infrastructure tools employed by the MSA improved

It is expected that activities under this sub result will assist the MSA to create user friendly IT system which would enable proper recording and analyzing of all information, including inspections and complaints in order to maximise risk-focused market surveillance and will improve coordination and information-sharing as well as optimal use of resources. Assisting the MSA staff members to get to know various market surveillance IT systems in the EU MS countries and their best practice, including through study visits, which should enable the MSA to actually observe the system in the operating phase and understand how it works. Moreover, this sub result will facilitate the market surveillance agency to effectively carry out screening tests with relevant equipment.

Mandatory result 3/Component 3: Engagement and awareness of the businesses, consumers and relevant stakeholders enhanced

It is expected that activities under this component will enable the MSA to establish strong connections with the consumers and businesses so that products placed on the market are safe and consumer safety is ensured. On the other hand, respective activities need to also be carried out so that general public and consumer awareness of the product-specific knowledge is enhanced.

Sub result 3.1: Awareness raising of the consumers supported

In order for the sub result 3.1. to be fulfiled, it is essential to conduct gap analyses of the existing web page of the agency and provide relevant recommendation for the purpose of improvement of user friendly interface, to identify technical errors and to modificate/transform into sophisticated platform. At the same time, awareness raising materials need to be prepared and made available to the consumers.

Sub result 3.2: Awareness raising of the business sector supported

It is expected that product-specific manuals for the businesses will be prepared and made available to the businesses, so that their awareness is enhanced. Workshops and consultations need to be also conducted so that product-specific legal requirements are comprehensible enough for the relevant stakeholders.

3.6. Means/input from the EU Member State Partner Administration(s)*:

The project will be implemented in the form of a Twinning contract between the Beneficiary Country and EU Member State(s). The implementation of the project requires one Project Leader (PL) with responsibility for the overall coordination of project activities and one Resident Twinning Adviser (RTA) to manage implementation of project activities, Component Leaders (CL) and pool of short-term experts within the limits of the budget. It is essential that the project team has sufficiently broad expertise to cover all areas included in the project description.

Proposals submitted by Member State shall be concise and focused on the strategy and methodology, indicating timetable underpinning this, suggesting the administrative model the quality of the expertise to be mobilised and clearly showing the administrative structure and capacity of the Member State entities. Proposals shall be detailed enough to respond adequately to the Twinning Fiche, but are not expected to contain a fully elaborated project. They shall contain enough detail about the strategy and methodology and indicate the sequencing and mention key activities during the implementation of the project to ensure the achievement of overall and specific objectives and mandatory results/outputs.

The interested Member State(s) shall include in their proposal the CVs of the designated Project Leader (PL) and the Resident Twinning Advisor (RTA), as well as the CVs of the potentially designated Component Leaders-(CLs).

The Twinning project will be implemented by close co-operation between the partners aiming to achieve the mandatory results in sustainable manner.

The set of proposed activities will be further developed with the Twinning partners when drafting the initial work plan and successive rolling work plan every three months, keeping in mind that the final list of activities will be decided in cooperation with the Twinning partner. The components are closely inter-linked and need to be sequenced accordingly.

3.6.1. Profile and tasks of the PL:

The Member State PL should have the capacity to lead the implementation of the project and the ability to mobilize the necessary expertise in support of project's efficient implementation. She/he will be expected to devote a minimum of 3 days per month to the project in his/her home administration. In addition, as co-chairperson, he/she will coordinate from the Member State side the work of the Project Steering Committee (PSC), which shall meet in Georgia on a quarterly basis at least.

<u>Profile</u>

- A high ranking official or assimilated agent of a Member State administration in relevant field with a sufficient rank to ensure an operational dialogue at political level;
- University level education in a relevant discipline or equivalent professional experience in a related field of 8 years;
- At least 3 years of professional experience in the field of Market Surveillance, product safety or other related areas;
- Good Knowledge of EU legislation in the field of Market Surveillance;
- Previous experience in project management will be considered an asset;
- Fluency in both written and spoken English;
- Computer literacy;
- Good communications and inter-personal skills;
- Good leadership skills;

<u>Tasks:</u>

- Overall direction, supervision, guidance and monitoring of the project;
- Mobilization of the necessary expertise in support of the efficient implementation of the project;
- Lead an operational dialogue, advocate, thrust and back up the project at political level;
- In cooperation with the PL counterpart signing and submission the interim quarterly and final project reports prepared with the support of the RTA to the concerned authorities;
- Formal signing of project work plan(s) and/or their updates;
- Ensuring timely achievement of the project results;
- Provision of legal and technical advice whenever needed;
- Co-chairing of project steering committees.

3.6.2. Profile and tasks of the RTA:

The RTA will be located in the premises of the BA on a fulltime basis and will be responsible for the direct implementation of the project under the overall supervision of the MS Project Leader.

He/she will work closely with the BC Project Leader and the RTA Counterpart to deliver the project outputs.

The RTA will maintain day-to-day cooperation with the beneficiary administration and coordinate the work performed by the STEs for the whole duration of the project

implementation. The RTA will have a key role in the coordination of the inputs required for the successful implementation of all the project activities.

The RTA should be supported by a permanent RTA Assistant. The RTA assistant should work in close collaboration with the beneficiary administration BA. The RTA assistant will perform general project duties and will be providing translation and interpretation services as necessary, practical arrangements for the project, such as organizational issues of expert missions, conferences, training, seminars, maintaining project records and etc. Until the RTA can select and hire an assistant, the Beneficiary administration will make a member of its staff available to support the RTA in his/her daily tasks.

A full-time language assistant should also be recruited. She/he should perform most of the required interpretation/translation services. She/he will provide day-to-day interpretation/translation to the RTA and project experts during missions.

Whenever required and needed for simultaneous interpretation during seminars and workshops, translation of large volume of documents additional interpretation may be procured and funded by the project.

Minimum two visibility events will be organized in the course of the implementation of the project. Kick-off meeting at the start of the implementation and the Final meeting at the end of the implementation of the project activities. These will have to be coordinated with the EU Delegation to Georgia.

<u>Profile</u>

- Proven contractual relation to a public administration or mandated body;
- University level education in a relevant discipline or equivalent professional experience in a related field of 8 years;
- At least 3 years' experience in the field of Market Surveillance;
- Good knowledge of relevant EU legislative and institutional requirements related to the various components of this project;
- Good knowledge of Market Surveillance legislation, methods and procedures;
- Good managerial skills;
- Good training, public speaking, diplomatic and communication skills;
- Excellent computer literacy (Word, Excel, Power Point);
- Excellent command of spoken and written English;
- Experience with similar projects would be an asset.

<u>Tasks:</u>

- Overall coordination of project implementation and of all activities;
- Coordination of the activities of the team members in line with the agreed work plan to enable timely completion of project outputs;
- Provide technical input to the project whenever needed and provision of advice in his/her field of expertise;
- In coordination with MS PL liaise with BC PL and daily contacts with BC RTA counterpart;

- Preparation of the initial and subsequent work plan(s) and project progress reports, together with PL, to be submitted to the Steering Committees;
- Liaison with EUD Project Manager and Programme Administration Office (PAO);
- Liaison with key stakeholders, other relevant projects and relevant Georgian institutions;
- Promote cooperation between main counterparts and target groups.

3.6.3. Profile and tasks of Component Leaders:

To achieve coherence in the implementation of all activities pertaining to the specific components and accomplish mandatory results/outputs, Component Leaders (short-term experts) will be designated to each specific component who will coordinate the intervention of all other Member State experts mobilized for the same component. Beneficiary institution will assign a Component Leader counterpart for each component who will be the permanent interlocutor of the MS Component Leader coordinating the specific component. The Component Leaders will work in close collaboration with the RTA and the Beneficiary counterparts in order to achieve mandatory results/outputs pertaining to the specific component and to contribute to overall success of the project.

The profile, exact number and specific Terms of Reference for each Component Leader along with the names and functions of the Component Leader counterparts will be defined at the Work Plan preparation stage by the MS Project leaders and/or the RTA and its counterpart. The ToR will specify the detailed inputs of the Component Leaders and the duration of their missions.

Profile and tasks of Component Leader 1:

Profile:

- Proven contractual relation to a public administration or mandated body;
- University level education in a relevant discipline or equivalent professional experience in a related field of 8 years;
- At least 3 years of experience in the field of Market Surveillance;
- Good experience in legal drafting coordination process relevant to the project scope;
- Demonstrated analytical and mentoring skills;
- Excellent command of written and spoken English.

<u>Tasks:</u>

- Component coordination, guidance and monitoring;
- Conducting analysis of the area relevant to the component;
- Contribution to preparing and conducting training programs;

- Providing technical advice, support and assistance to the BC institution in the context of the project's components;
- Providing practical expertise/advice to relevant staff for execution of different tasks related to the project;
- Contribution to the project reporting (interim and final), to drafting the notes and other documents and reports on experts' missions;
- Liaise with PL, RTA and their counterparts.

Profile and tasks of Component Leader 2:

Profile:

- Proven contractual relation to a public administration or mandated body;
- University level education in a relevant discipline or equivalent professional experience in a related field of 8 years;
- At least 3 years of experience in the field of Market Surveillance;
- Good experience in capacity building, institutional development activities related to the project components;
- Demonstrated analytical and mentoring skills;
- Excellent command of written and spoken English.

<u>Tasks:</u>

- Component coordination, guidance and monitoring;
- Conducting analysis of the area relevant to the component;
- Contribution to preparing and conducting training programs;
- Providing technical advice, support and assistance to the BC institution in the context of the project's components;
- Providing practical expertise/advice to relevant staff for execution of different tasks related to the project;
- Contribution to the project reporting (interim and final), to drafting the notes and other documents and reports on experts' missions;
- Liaise with PL, RTA and their counterparts.

Profile and tasks of Component Leader 3:

Profile:

- Proven contractual relation to a public administration or mandated body;
- University level education in a relevant discipline or equivalent professional experience in a related field of 8 years;
- At least 3 years of experience in the field of Market Surveillance;

- Good experience in raising awareness activities;
- Good team-working, communication, presentation and advisory skills;
- Demonstrated analytical and mentoring skills;
- Excellent command of written and spoken English.

<u>Tasks:</u>

- Component coordination, guidance and monitoring;
- Conducting analysis of the area relevant to the component;
- Contribution to preparing and conducting training programs;
- Providing technical advice, support and assistance to the BC institution in the context of the project's components;
- Providing practical expertise/advice to relevant staff for execution of different tasks related to the project;
- Contribution to the project reporting (interim and final), to drafting the notes and other documents and reports on experts' missions;
- Liaise with PL, RTA and their counterparts.

3.6.4. Profile and tasks of other short-term experts:

In order to provide the full range of expertise necessary, short-term experts will be drawn from different skill sets to assist the RTA on specific activities. Based on the project results there might be the need of having different STEs possessing the following professional experience depending on their area of intervention:

Profile:

- Proven contractual relation to a public administration or mandated body;
- University level education in a relevant discipline or equivalent professional experience in a related field of 8 years;
- At least 3 years of experience in the field of market surveillance;
- Good experience in capacity building activities;
- Experience in the EU legislation and practice in the field of market surveillance;
- Experience in the legal approximation and enforcement in the relevant field;
- Experience in developing of training modules and materials, good record in training delivery;
- Sound experience in delivering the trainings in the relevant product-specific fields;
- Experience in information technology systems/tools
- Experience in conducting public opinion survey related to market surveillance field;

- Experience and knowledge of the EU market surveillance IT systems, including safety gate¹¹ and risk assessment systems and their technical specifications.
- Experience in raising awareness activities and liaising with businesses/consumers;
- Experience in information campaigns and knowledge of different communication tools;
- Coaching, training and facilitator skills;
- Demonstrated analytical and mentoring skills;
- Excellent command of written and spoken English.

Tasks:

- Support Component leaders in their tasks by providing specific experience;
- Active contribution with drafting project related documents according to the planned results of the respective components and taking into account the national rules for legislative development;
- Conducting analysis of the area relevant to the component;
- Provide practical expertise/advice to relevant staff for execution of different tasks related to the project;
- Contribution to the project reporting (mission reports interim and final);
- Contribution to preparing and conducting trainings, workshops, awareness raising activities.

Proposals shall include only the CVs of the proposed PL, of the RTA and of the Component Leaders (STEs CV should not be included in the MS proposal).

The Project Leader/RTA are free to propose additional STEs as they see fit, based upon the needs of the project and in agreement with the beneficiary.

4. Budget: € 1,200,000

5. Implementation Arrangements

The European Union Delegation in Tbilisi, Georgia, will be responsible for the tendering, contracting, payments and financial reporting, and will work in close co-operation with the Beneficiary.

The person in charge of this project at the Delegation of the European Union to Georgia is:

Ms. Mindy BOJKOVA

Programme Officer, Private Sector Development: DCFTA approximation, Trade Facilitation, Financial Infrastructure, AA/DCFTA Facility

64b Ilia Chavchavadze Avenue, 0179 Tbilisi, Georgia

¹¹ The EU rapid alert system for dangerous non-food products.

Tel: +995 32 2364364

E-mail: Mindy.BOJKOVA@eeas.europa.eu

5.3. Institutional framework

The beneficiary institution of the project is Legal Entity of Public Law - Market Surveillance Agency of Georgia (MSA) under the structural composition of the Ministry of Economy and Sustainable Development of Georgia. Currently, the staff of MSA consists of:

- Management: Acting Head of the Agency
- Legal Division: 1 lawyer
- Department of Market Surveillance on Industrial and Construction Products: 9 inspectors
- Department of Market Surveillance on Consumer Products: 8 inspectors
- Administration and Information Department: 3 specialists

The organizational chart is provided in Annex I.

The project activities are supposed to be particularly aimed at the market surveillance inspectors from the Department of Market Surveillance on Industrial and Construction Products and the Department of Market Surveillance on Consumer Products. At the same time, as the project objectives include the component of legal approximation, staff members from the Legal Support Department will be involved in the project activities as well as deepening the knowledge of specific products through trainings. Staff members from the Administration and Information Department will also be a target group for the project in the context of raising awareness and capacity building activities.

Furthermore, the Ministry of Economy and Sustainable Development, as a policy maker in the field of market surveillance, will be directly involved in the implementation of the Twinning project. The same could be said regrding other stakeholders: RS, Georgian Accreditation Centre, other public agencies and private or semi-private organizations such as testing and calibration laboratories. Additionally, other interested parties can also be involved in the project implementation phase within their mandate and responsibilities.

5.4. Counterparts in the Beneficiary administration:

5.4.1. Contact person and RTA counterpart:

Irina Tavkhelidze Head of the Legal Support Department, Market Surveillance Agency (MSA) 8, Politkovskaia str., Tbilisi, Georgia

5.4.2. PL counterpart

Giorgi Ukleba Head of the Market Surveillance Agency (MSA) 8, Politkovskaia str., Tbilisi, Georgia

6. Duration of the project

The duration of the project execution period 24 months. [The execution period will end 3 months after the implementation period of the Action (work plan) which will take 21 months].

7. Management and reporting

7.3. Language

The official language of the project is the one used as contract language under the instrument (English / French). All formal communications regarding the project, including interim and final reports, shall be produced in the language of the contract.

7.4. Project Steering Committee

A project steering committee (PSC) shall oversee the implementation of the project. The main duties of the PSC include verification of the progress and achievements via-à-vis the mandatory results/outputs chain (from mandatory results/outputs per component to impact), ensuring good coordination among the actors, finalising the interim reports and discuss the updated work plan. Other details concerning the establishment and functioning of the PSC are described in the Twinning Manual.

7.5. Reporting

All reports shall have a narrative section and a financial section. They shall include as a minimum the information detailed in section 5.5.2 (interim reports) and 5.5.3 (final report) of the Twinning Manual. Reports need to go beyond activities and inputs. Two types of reports are foreseen in the framework of Twining: interim quarterly reports and final report. An interim quarterly report shall be presented for discussion at each meeting of the PSC. The narrative part shall primarily take stock of the progress and achievements via-à-vis the mandatory results and provide precise recommendations and corrective measures to be decided by in order to ensure the further progress.

8. Sustainability

The achievements of the Twinning project will be sustained as a permanent asset within the Beneficiary Institution even after the end of the Twinning implementation. The Beneficiary Institution is fully committed to ensure the long term impact of the Twinning project.

In particular:

Staff benefiting from any possible trainings/study visits will transfer knowledge through subsequent trainings to their colleagues, where relevant.

Any document, policy and legislative changes, guidelines or procedures developed and introduced throughout the project will ensure sustainability of results.

Smooth and effective functioning of the achieved results will be guaranteed by the relevant human and financial resources contribution.

9. Crosscutting issues

The principle of equal opportunity will be integrated into all stages of the project implementation, including equal opportunities in training, site visits and participation in all of the Projects' missions and events;

The principle of equal opportunity will apply both to the MSA staff involved in the project and other stakeholders participating in the project activities. Every effort will be made to ensure broad gender representation at all stages of the project implementation.

The activities envisaged under the project will not negatively affect the environment. During the implementation of the project, the production of printed material will be avoided to minimize negative influence on the environment.

10. Conditionality and sequencing

There is no precondition set for this twinning project.

It is foreseen that a series of activities / measures will be undertaken by MSA for the smooth commencement of the project. The project will ensure well-coordinated legal approximation process involving all responsible parties in compliance with the recognized standards and stabled practices.

MSA commits itself to provide the contributions listed in the project fiche. The project actions and their outcomes are interconnected and mutually complementary.

Project activities will follow the following pattern:

- Strong commitment and support from the MSA management throughout the Project implementation period;
- Drafting of relevant documents jointly by MSA and MS experts;
- Strong involvement and commitment of MSA staff at all levels;
- Ensuring coordination between departments and institutions connected with the Project;
- Ensuring availability of the necessary information and documents e.g. national regulatory framework, internal quality management system documents, technical procedures etc.;
- Ensuring adequate conditions for the project team and STEs to perform their work while on their mission to the BC;
- Support to identify relevant suitable venues at the MSA office for the training sessions and workshops that are to be held within the project framework; In case of meetings with wider society (more than 25 people) and stakeholder groups venue, interpretation and equipment might be needed to be ensured by the project;
- In time and strong coordination and acknowledgement with the beneficiary country's commitments.

The precise planning of the project activities will be discussed and agreed between parties. The capacity building activities will be gradually introduced to comply with all the requirements and changes introduced taking into account the capacities of counterparts and beneficiaries.

11. Indicators for performance measurement

Mandatory result 1/Component 1: Market surveillance legal framework enhanced

Indicators for performance measurement:

• Status of Georgian horizontal legislation in the field of market surveillance.

Sub result 1.1: Legal framework for the market surveillance procedures approximated to the relevant EU principles and practices.

Indicators for performance measurement:

- Availability of the report on novelties of the Regulation (EU) 2019/1020 and best practice of the EU MS countries regarding the enforcement of the regulation;
- Share of the relevant MSA staff members trained on the requirements and the best practice of market surveillance under the Regulation (EU) 2019/1020;
- Availability of the assessment report of the Georgia's market surveillance procedures;
- Availability of the relevant proposals for the amendments of market surveillance procedures;
- Availability of the report on the best practice of the EU MS countries regarding market surveillance according to the Directive 2001/95/EC;
- Share of the relevant staff members trained on the requirements and the best practice of market surveillance under the Directive 2001/95/EC;

Mandatory result 2/Component 2: Institutional capacities of the MSA enhanced

Indicators for performance measurement:

• Degree of MSA's performance in respect of planning and implementation of inspections.

Sub result 2.1: MSA staff's knowledge of the relevant EU directives/regulations, as well as the quality infrastructure system in the EU MS countries enhancedIndicators for performance measurement:

- Share of the staff members trained on the relevant EU directives/regulations and harmonized standards;
- Share of the staff members trained on the best practice of market surveillance and guidelines for the product-specific fields;
- Availability of comparative (at lease single MS experience based) overview of the relevant laboratories in EU MS countries;
- Availability of assessment document of services provided by Market Surveillance organizations in the EU MS countries.

Sub result 2.2: International cooperation of the MSA strengthened

• Number of the EU market surveillance organizations with whom partnership agreements and/or communication established.

Sub result 2.3: Infrastructure tools employed by the MSA improved

Indicators for performance measurement

- Share of the relevant MSA staff members trained on the various market surveillance electronic systems operating in the EU MS countries;
- Availability of technical specifications for development of the IT system.

Mandatory result 3/Component 3: Engagement and awareness of the businesses, consumers and relevant stakeholders enhanced

Indicators for performance measurement:

• Degree of the engagement of the businesses, consumers and relevant stakeholders

Sub result 3.1: Awareness raising of the consumers supported

Indicators for performance measurement:

- Availability of assessment report on the MSA web page, including on the electronic tool for publicizing information on the hazardous products;
- Status of the MSA web page, including the electronic tool for publicizing information on hazardous products;
- Availability of E-materials and/or publications for awareness raising of consumers in Georgian language;
- Availability of the simplified public opinion survey results on the awareness of the consumers.

Sub result 3.2: Awareness raising of the business sector supported

Indicators for performance measurement:

- Availability of product-specific safety manuals for the businesses in Georgian language;
- Number of events with economic operators and the relevant stakeholders as to the product-specific legal requirements.

12. Facilities available

Beneficiary will provide:

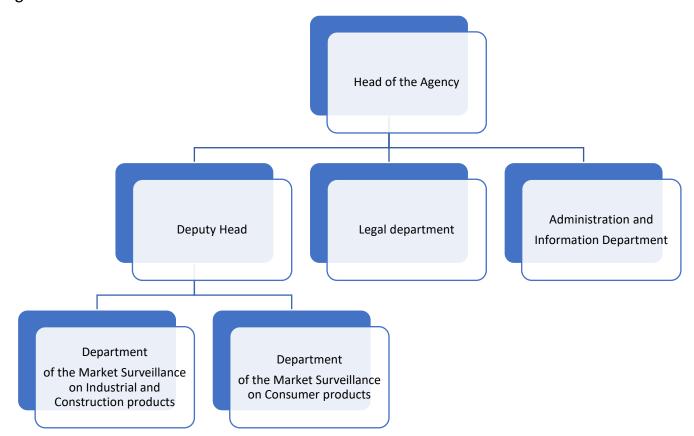
- Adequately equipped office space for the RTA and the RTA assistant(s) for the entire duration of their secondment.
- Supply of office room including access to computer, telephone, internet, printer, photocopier;
- Adequate conditions for the STEs to perform their work while on mission;
- Provide suitable venues for the training sessions and meetings that will be held under the Project, except the cases of meetings with wider society (more than 25 persons) or

stakeholder groups, in such cases venue, interpretation and equipment will be needed to be ensured by project, as allowable under the relevant Twinning Manual and in agreement with the Contracting Authority;

• Security related issues will be assured according to the standards and practices applicable for all Georgian public institutions.

ANNEXES TO PROJECT FICHE

1. Annex I: Organizational Chart of the MSA



Annex II: Simplified Logical Framework

Project Title: Advancing the Capacities of the Market Surveillance Agency of Georgia					umber:
Beneficiary Institu of Georgia	tion: Market Surveillance 4	Agency of Georgia, Ministry of Economy an	d Sustainable Development	Total budget:	EU ENI financing (100%)
	Description	Indicators (with relevant baseline and target data)	Sources of verification	Risks	Assumptions (external to project)
Overall Objective	the project is to support a further effective fulfilment of the obligations prescribed in the EU-Georgia Association Agreement (AA)/DCFTA and Energy Community Treaty in the field of	(AA)/DCFTA in the field of Market Surveillance. Baseline: 2022 –Market surveillance legal framework partially (50% of relevant horizontal and vertical directives and regulations) approximated and includes certain fields of products ¹² under the domain of the MSA:	Implementation reports; • Annual report of the MSA. • Legislative Herald of Georgia - Matsne.gov.ge	from relevant institutions;	 Government commitment on fulfilment of AA and DCFTA sustained; Strong support and commitment from the senior management of the MSA and MoESD; Effective communication between the Beneficiary,

¹² Machinery, Toys, Gas appliances, Personal protective equipment, Appliances used in potential explosive atmosphere, Hot water boilers, Pressure equipment, Simple pressure vassals and construction product.

	be adjust after FA is	Target: by the end of the project – At least		•Lack of interest	project team and the relevant
	sighed)	70% of relevant fields as per AA/DCFTA		from the relevant	stakeholders;
		approximated and operational.		stakeholders.	• All relevant
				 Resistance of 	documentation/information
				economic operators	available.
				operating on	
				Georgian market to	
				comply with product	
				safety requirements.	
Specific	The specific objective of	Degree of safety compliance of products	• AA and DCFTA	• Lack of sufficient	 Government commitment on
(Project)			Implementation reports;	support/commitment	fulfilment of AA and DCFTA
Objective(s)	support the Market		• Annual report of the	from relevant	sustained;
Objective(s)	Surveillance Agency of Georgia (MSA) to	Baseline: 2022 – 8 fields ¹³ fully and 5	• Annual report of the MSA;	institutions;	 Strong support and
	institutional framework	surveillance on market and/or customs.	• Twining project documentation (list of	new and /or	commitment from the senior management of the MSA and MoESD;
	and to enhance	Target: by the end of the project - Number of fields and/or products covered under	materials,	regulations;	• Effective communication
		surveillance on market and/or customs	recommendations, mission	 Lack of Sufficient 	between the Beneficiary,
		increased by at least 20%.	reports etc.)	human capacity in	project team and the relevant
		Number of products inspected by the MSA	 Raising awareness 	MSA;	stakeholders;
		on the local market	materials.		

¹³ Machinery, Toys, Gas appliances, Personal protective equipment, Appliances used in potential explosive atmosphere, Hot water boilers, Pressure equipment and Simple pressure vassals.

¹⁴ Reinforcing steel, cement, plastic pipes, gypsum plasterboard and electrical cables.

		 Baseline: 2022 – approximately 300 products inspected on the local market and 50 laboratory checks conducted annually. Target: by the end of the project – Number of laboratory checks increased by at least 10% and number of products inspected on the local market increased by at least 20%. The portion of complaint-based inspections conducted by the MSA. Baseline: 2022 – Less than 5% of surveillance is based on consumer complaints. 	•Lack of interest from the relevant stakeholders.	• All relevant documentation/information avalable.
		Target: by the end of the project – Consumer complaints based inspections increased by 20%.		
Mandatory results/outputs by components				
Mandatory result 1/Component 1:	Market surveillance legal framework enhanced	legislation in the field of market surveillance. Baseline: 2022 – Law Of Georgia - Product Safety And Free Movement Code, Georgian	support/commitment from relevant institutions:	 Governmental commitment as to the fulfilment of the AA undertakings sustained; Active participation and the growing interest of all relevant stakeholders towards the project activities.

	governmental decrees N539 ¹⁵ on market surveillance procedures and N540 ¹⁶ on risk assessment and procedures to determine hazard categories ready and operational. Target: by the end of the project – Proposals for amendments of relevant horizontal legislation on the basis of the EU directives and regulations, such as Regulation (EU) 2019/1020 ¹⁷ , Directive 2001/95/EC ¹⁸ Decision (EU) 2019/417 ¹⁹ and etc. have been prepared and agreed with the Agency	etc.) • amendments to the relevant horizontal legislation	project	• Availability of relevant information /materials/ documentation.
Mandatory result Institutional capacitie 2/Component 2: of the MSA enhanced	and stakeholders.	• AA and DCFTA	support/commitment	•Governmental commitment as to the fulfilment of the AA undertakings sustained;

¹⁶ Georgian Governmental Decree N540 of November 14, 2018, on the establishment of rules for determining hazard categories of the products placed on the market and the rules for the risk assessment.

¹⁷ Regulation (EU) 2019/1020 of the European Parliament and of the Council of 20 June 2019 on market surveillance and compliance of products and amending Directive 2004/42/EC and Regulations (EC) No 765/2008 and (EU) No 305/2011

¹⁸ Directive 2001/95/EC of the European Parliament and of the Council of 3 December 2001 on general product safety

¹⁹ Commission Implementing Decision (EU) 2019/417 of 8 November 2018 laying down guidelines for the management of the European Union Rapid Information System 'RAPEX' established under Article 12 of Directive 2001/95/EC on general product safety and its notification system

¹⁵ Governmental Decree N539 of November 14, 2018 on approval of the rule of market surveillance and the rule of suspension of sale of the product, withdrawal from the market, recall and destruction of products.

Baseline: 2022 – Not existent (MSA's	 Annual report of the 	from relevant	 Strong support and
performance in respect of planning and	MSA;	institutions;	commitment from twinning
implementation of inspections to be measured and results provided) ²⁰ .	 Organisational 	 Lack of Sufficient 	partner(s);
incusared and results provided)	performance measurement	human capacity in	 Completed recruitment of
Target : by the end of the project – MSA's	reports on the performance	MSA;	staff of the MSA;
performance in respect of planning and implementation of inspections improved at		•Lack of interest	• Active participation and the
least by $20\%^{21}$.	 Twining project 	from the relevant	growing interest of all relevant
	documentation	stakeholders.	stakeholders towards the
	(list of participants, training	• Delays during	project activities.
	materials,	project	 Availability of relevant
	recommendations, mission	implementation.	information /materials/
	reports etc.)	• The difficulties of	documentation.
		finding relevant	
		experts.	

²⁰ Organisational performance measurement tool – simplified checklist to be developed by the twinning project for measuring MSA's performance in respect of planning and implementation of inspections (An example of such instrument is Rapid Diagnostic Tool (RDT) developed in collaboration with the World Bank Group and the National Metrology Institute of Germany (PTB)).

²¹ Organisational performance measurement reports on the performance of the MSA will include evaluation of planning, implementation and follow up process of the market surveillance activities of the MSA stuff members, reports will be prepared at the beginning and at the end of the project to evaluate and demonstrate progress.

3/Component 3:	awareness of the businesses, consumers and relevant stakeholders enhanced		 Implementation reports; Annual report of the MSA; Twining project documentation; Report on evaluation of engagement and awareness of relevant stakeholders. Information and documents published on the 	 involvement from relevant stakeholders. Delays during project implementation Delays in decision making process The difficulties of finding relevant experts 	 Governmental commitment as to the fulfilment of the AA undertakings sustained; Strong support and commitment from twinning partner(s); Completed recruitment of staff of the MSA; Active participation and the growing interest of all relevant stakeholders towards the project activities. Availability of relevant information /materials/ documentation.
Sub-results per component (optional and indicative)					
Sub result 1.1:	e e	1.1.1. Availability of a report on novelties of the Regulation (EU) 2019/1020 and best	01 /		 Active participation and the growing interest of all relevant

²² The degree of the engagement of the relevant stakeholders should be evaluated with several means including simplified surveys, numbers of visitors of the MSA website, number of calls and complains to the MSA e.t.c. It is expected that there will be two reports prepared and presented, one at the beginning of the project and one after project activities are carried out.

approximated to the	practice of the EU MS countries regarding	report on Directive	from relevant	stakeholders towards the
relevant EU principles	the enforcement of the regulation.	2001/95/EC.list of	institutions;	project activities.
relevant EU principles and practices.		2001/95/EC.list of participants; training materials; recommendations; mission	institutions; • Delays during project	
	Target: 2023 – Georgian market surveillance procedures assessment report prepared.			

1.1.4. Availability of the relevant proposals	
for the amendments of market surveillance	
procedures;	
Baseline: 2022 - Not existing	
Target: 2023 - Proposals for the	
amendments of Georgian market	
surveillance procedures provided and	
agreed with the MSA;	
1.1.5. Availability of a report on the best	
practice of the EU MS countries regarding market surveillance according to the	
Directive 2001/95/EC.	
Directive 2001/93/EC.	
Baseline: 2022 – Not existing	
Target: 2023 – Report describing the best	
practice of the EU MS countries regarding	
market surveillance according to the	
Directive 2001/95/EC	
1.1.6. Share of the relevant staff members	
trained on the requirements and the best	
practice of market surveillance under the	
Directive 2001/95/EC	
Baseline: 2022 – no relevant staff members	
trained on the requirements and the best	
practice of market surveillance under the	
Directive 2001/95/EC.	

Sub result 2.1: MSA staff's k	Target: by the end of the project – At least80% of the inspectors and lawyers trainedon the requirements and the best practiceof market surveillance under the Directive2001/95/EC.knowledge2.1.1. Share of the staff members trained		• Lack of sufficient	•Governmental commitment
of the rele directives/regu well as the infrastructure	EVant EUon the relevant EU directives/regulations illations, as _{and} harmonized standards	Implementation reports; • Annual report of the MSA; • Twining project documentation (list of participants, training materials, recommendations, mission reports etc.)	support/commitment from relevant institutions; • Lack of Sufficient human capacity in MSA; • Delays during project implementation. • The difficulties of finding relevant experts.	 Governmental commitment as to the fulfilment of the AA undertakings sustained; Strong support and commitment from twinning partner(s); Completed recruitment of staff of the MSA; Active participation and the growing interest of all relevant stakeholders towards the project activities. Availability of relevant information /materials/ documentation.

		2.1.3. Availability of comparative (single MS experience based) overview of the relevant laboratories in the EU MS countries; Baseline: 2022 - Not existing Target: 2023 – The overview of the relevant laboratories in the EU MS countries prepared.	
		 2.1.4. Availability of assessment document of services provided by Market Surveillance organizations in the EU MS countries. Baseline: 2022 - Not existing Target: 2023 –assessment document describing services provided by the EU Market Surveillance organizations prepared. 	
Sub result 2.2:	International cooperation of the MSA strengthened	2.2.1. Number of the EU market Asurveillance organizations with whom Partnership agreements and/or communication are established. Baseline: 2022 - cooperation ongoing with the National Metrology Institute Germany (PTB) and The Product Safety Forum of Europe (PROSAFE) Institute	

Sub result 2.3.	Target: by the end of the project – Partnershipagreements agreements drafted/communication established with at least 2 EU MS market surveillance bodies.\$2.3.1.Share of the relevant MSA staff members trained on the various market surveillance electronic systems operating in the EU MS countries;Baseline: 2022 – Not existing Target: by the end of the project – at least	• AA and DCFTA Implementation reports; • Annual report of the MSA; • Twinning project	*Lack of interest from the relevant	 Strong support and commitment from twinning partner(s); Active participation and the
	 80% of the relevant MSA staff members trained on at least 2 market surveillance electronic systems operating in the EU MS countries. 2.3.2. Availability of technical specifications for development of the IT system. Baseline: 2022 – Not available Target: by the end of the project – Technical specifications for development of the IT system prepared and agreed with the MSA. 	(Recommandations, mission	stakenolders.	• Active participation and the growing interest of all relevant stakeholders.
Sub-results per component (optional and indicative)				

Sub result 3.1:	Awareness raising of	3.1.1. Availability of assessment report on	 Twining project 	 Lack of 	 Strong support and
	the consumers	the MSA Web Page including on the	documentation (list of		commitment from twinning
	supported	electronic tool for publicizing information	participants, training	involvement from	partner(s);
		8	participants, training materials, recommendations, mission reports etc.) • Information and documents published on the website of the MSA	involvement from relevant stakeholders. • Delays during project implementation	Ũ
		Technical modification of the MSA Web Page including modification of the			
		electronic tool for publicizing information on the hazardous products carried out and identified deficiencies corrected.			

3.1.3. Availability of E-materials for
· ·
awareness raising of consumers in
Georgian language
Baseline: 2022 - Not available
Target: by the end of the project -
materials prepared in agreement with
MSA and translated into Georgian and,
published on MSA's website and/or printed
3.1.4. Availability of the simplified public
opinion survey results on the awareness of
the consumers
Baseline: 2022 - Not available
Target: by the end of the project -
simplified public opinion survey carried
out and results presented in a form of
report.

Sub result 3.2:	Awareness raising o	f the 3.2.1. Availability of product-specific safet	y● AA and DCFTA	•Lack of	 Strong support and
	business sector	manuals for the businesses in Georgia	nImplementation reports;	commitment and	commitment from twinning
	supported	language. Baseline 2022: not available	• Annual report of the MSA;	involvement from relevant stakeholders.	partner(s); Completed recruitment of staff of the MSA;
		Target by the end of the project : Safety manuals at least for 6 product-specific fields prepared and agreed with MSA officials, translated into Georgian and/or printed	• Twining project documentation (list of participants, training materials, recommendations, mission reports etc.)	 Delays during project implementation Delays in decision making process 	• Active participation and the growing interest of all relevant stakeholders towards the project activities.
		3.2.2. Number of events with economic operators and the relevant stakeholders as to the product-specific legal requirements Baseline 2022: Around 20 meeting conducted on the products approximated	• Information and documents published on the website of the MSA.	• The difficulties of	• Availability of relevant information /materials/ documentation.
		Target by the end of the project: At least 10 additional meetings conducted with relevant stakeholders in the fields determined according to priorities of the MSA, including electrical equipment within certain voltage limits, construction products, energy labelling.			