

Standard Summary Project Fiche for the Transition Facility

1. Basic Information

1.1 CRIS Number: **2006/018-118-04-01**

1.2 **Twinning contract: LV/2006/IB/EC/01**

1.3 Title: **Strengthening of the market surveillance system**

1.4 Sector: **Consumer protection**

1.5 Location: Consumer Rights Protection Centre - Kr. Valdemara 157, LV-1013, Riga, Latvia

2. Objectives

2.1 Overall Objective(s):

Providing adequate market surveillance and enforcement of consumer protection legislation

2.2 Project purpose:

Strengthen enforcing capacities in the field of market surveillance and consumer protection according to current and identifiable additional *acquis* in the field of consumer protection and product safety

2.3 Justification:

Latvia needs to sustain efforts to focus on further improvements for the enforcement of the *acquis* in the fields of free movement of goods and consumer protection. The legislation in the area has been developed according to the EU requirements, but there is much work to be done, in order to ensure that the legislation is enforced. The administrative capacity of the **Consumer Rights Protection Centre (CRPC)** has to be strengthened – additional staff recruited, adequately trained and funds for sampling and testing programmes should be allocated.

The Comprehensive Monitoring Report on Latvia's preparations for membership (November 2003) states:

“Preparing its administrative capacity for membership remains one of the greatest challenges Latvia faces. With a view to the responsibilities Latvia will have to assume in managing and enforcing the *acquis* upon accession, a substantial portion of the necessary institutions have been restructured or created. While this process is well advanced, further substantial efforts are required to ensure that these institutions become fully operational. This is particularly important in areas such as internal market...”

In the conclusion to Chapter 23 the EC states:

“Latvia is meeting the majority of the requirements for membership in the area of market surveillance and non-safety related measures. In order to complete preparations for membership, Latvia needs to improve market surveillance to ensure the proper enforcement of legislation on safety and non-safety related measures including by strengthening the administrative capacity and structures....”

The Single Market, Better Regulation, European Standardisation, the New Approach & Global Approach. An extract from DG Enterprise:

"Market surveillance is an essential tool for the enforcement of New Approach directives. It needs to function effectively in order to provide the following guarantees Uniform application of Community law, Equal protection for all citizens and Maintenance of a level playing field for enterprises."

Consumer policy strategy specifying its overall political approach for the five year period, 2002-2006 as one of the main priorities sets out:

“Effective enforcement of consumer protection rules”.

There is no good law if it is not properly enforced. In practice, consumers should be given the same protection throughout the EU..

3. Description

3.1 Background and justification:

Market surveillance is a part of the overall process of enforcement. It is the main tool for monitoring product safety. It is also the key to the proper functioning of the Internal Market and market economy. Market surveillance aims at ensuring an equivalent level of protection for all citizens through the elimination of unfair competition and, more generally, by creating confidence in the market. It is clear that administrative structures and adequate enforcement resources must be put in place for surveillance and monitoring of product safety.

Surveillance bodies must have the appropriate means of ensuring systematic and co-ordinated market surveillance. They must be transparent and be able to apply effective sanctions. They must have the capacity to act immediately in case of emergencies, for example by restricting the use of, or withdrawing, dangerous products. At EU level, this implies good administrative co-operation between Member States themselves and with the Commission on information, and on assistance concerning prohibition of dangerous products.

The background of the project is the need to strengthen the capacity of the CRPC through introducing market surveillance procedures in specified fields, raising the competence of the staff, introduction of the training and qualification procedures, introducing data collection system on injuries related with products and services and in accordance with following EU legal acts:

- Council Regulation (EC) No 2006/2004 of 27 October 2004 on the cooperation between national authorities responsible for the enforcement of consumer protection laws
- Regulation (EC) No 261/2004 of the European Parliament and of the Council of 11 February 2004 concerning;
- Directive 2001/95/EC on general product safety
- New approach directives and other product directives
- Directive on unfair contract terms
- Directive on misleading and comparative advertising 84/450/EEC
- Directive 2000/31/EC on certain legal aspects of information society services, in particular electronic commerce, in the internal market
- Directive 2005/29/EC of the European Parliament and of the Council concerning unfair business-to-consumer commercial practices in the internal market and amending council directive 84/450/EEC, directives 97/7/EC, 98/27/EC and 2002/65/EC of the European Parliament and of the Council and Regulation (EC) no 2006/2004 of the European Parliament and of the Council ("unfair commercial practices directive")

In the course of the development, it is necessary to receive expertise and knowledge transfer from Member States consumer protection and market surveillance bodies for the successful implementation of the above-mentioned *acquis*.

The problem of staffing should be solved by additional financing of the market surveillance institutions, especially CRPC, which has responsibility for the market surveillance of the most non-food products. In order to strengthen its administrative capacity, it is planned to reorganize the current structure of CRPC, by ensuring that adequate attention is paid to risk assessment and safety evaluation of products. In the area of enforcement of consumer protection legislation, the administrative capacity should be strengthened as well. Also the current enforcement procedures do not ensure proper enforcement of consumer protection rules. Budget for 2006 provides for additional financing for CRPC and it is planned to strengthen CRPC also in 2007.

The current project is intended to help solve the problems identified during Phare 2002 "Market Surveillance System in the Non-Food Area" project 2002/000-590-02-01 implementation. The main conclusions were:

- Latvia is not fulfilling its requirements under the New Approach Directives for the products addressed by the CRPC. This is due to the lack of a sampling and testing regime and associated required resources. There is a need to have adequate resources to carry out this vital function
- Latvia is not fulfilling its requirements under the General Product Safety directive (GPSD). This is principally due to the confusion surrounding the enforcement of the legislation and the lack of sampling and testing products caught by the GPSD
- Latvia Customs Service and the Market Surveillance Institutions could not demonstrate that their current enforcement programmes and activities were sufficiently risk assessed and co-ordinated to deliver the level of consumer protection attained by existing Member States
- The majority of Market surveillance institutions did not focus on the needs of business. To exclude producers from the surveillance regime (CRPC) means that the safety of consumers was compromised
- There is no comprehensive risk assessment practice within the market surveillance institutions (MSI)

3.2 Linked activities:

Phare 1997:

Standards LE 9701.01.03

Phare 2002:

Market Surveillance System in the Non-Food Area 2002/000-590-02-01

- Twinning Project LV 2002/IB/EC-01 (duration October 2003 – February 2005)
- Services Project (duration September 2004 – September 2005)
- Supplies

In the framework of the project, the Market surveillance strategy has been elaborated and many recommendations made for the development of the market surveillance system in Latvia. This project addresses several problems indicated in the final report of Phare 2002 Twinning Project. Although the CRPC planned to train new staff during Phare 2002 projects, the state budget did not provide additional financing for 2004 and 2005.

Phare 2003 twinning light project

Strengthening of the E- commerce LV 2003/IB/EC-06TL

Therefore, the above-mentioned projects are harmonized with the current one, which guarantees effective implementation of the project and achievement of its goals, but exclude any kind of overlapping or duplication.

3.3 Results:

Mandated results:

- Elaborated procedures for the enforcement of legislation on information society services
- Experience and skills of the CRPC staff increased
- Elaborated procedures and plans for the surveillance of specified products
- Elaborated guidelines on introduction of the data collection system on injuries related with products and services
- Newly recruited staff of the CRPC trained

- Guidelines on the implementation of specified legislation elaborated
- Scope of the quality system in the CRPC widened

Overall results:

- Capacity of the CRPC increased in order to ensure adequate market surveillance and enforcement of consumer protection legislation in line with requirements of *acquis* in the field

3.4 Activities:

Component 1: Twinning Contract

Contract 1: Twinning Contract

- Detailed assessment of the current situation in testing possibilities in Latvia and neighbouring countries, elaboration of the list of available testing facilities, recommendations for future planning of testing activities
- Detailed assessment of the current situation concerning data collection on injuries related with products and services; introduction of the system
- Development of the guidelines for the data collection system on injuries related with products and services
- Implementation of methodology for the system functioning, training of hospitals personnel on the functioning of the system
- Support to the CRPC in setting up of the surveillance system concerning information society services
- Training of CRPC on enforcement of information society services legislation
- Elaboration of the training and qualification programme for market surveillance inspectors and consumer protection inspectors
- Training for trainers programme – elaboration of the programme and training
- Training of CRPC on specific market surveillance procedures, case handling
- Elaboration of procedures necessary for market surveillance – withdrawal, planning of the inspection, elaboration of checklists for inspections
- Training of CRPC (seminars and workshops) on safety aspects of following products:
 - Personal protective equipment
 - Pressure vessels and pressure equipment; Machinery
 - Child articles not covered by Toys directive
 - Radio and telecommunication equipment
 - Gas appliances
 - Recreational craft
- Elaboration of guidelines for the entrepreneurs and enforcement agencies in following areas (sectors will be involved in the process of elaboration of guidelines):
 - Personal protective equipment
 - Pressure vessels and pressure equipment
 - Machinery
 - Radio and telecommunication equipment
 - Gas appliances
 - Unfair contract terms
- Elaboration of the procedures for the enforcement of unfair contract terms directive – application of the fairness criteria; directives on financial services (consumer credit, distance marketing of financial services), directive on distance marketing
- Elaboration of the procedures for the enforcement of Directive 2005/29 on unfair business practices
- Training of new staff on different consumer protection and market surveillance matters
- Organization of knowledge and know-how transfer from the market surveillance and consumer protection legislation enforcement agencies of the EU Member States to the CRPC staff to get acquainted with practical enforcement activities aspects in solving particular issues of the project

through study visits in the Member States', participation in international seminars, working groups, courses and like.

- Consultation on quality system implementation – further development of the system in all activities of the CRPC
- Translation of the guidelines on enforcement of legislation
- Running of training programme

Means: Twinning Contract

Long-term expert – resident twinning adviser in market surveillance and consumer protection (RTA) (12 man months)

The main tasks of the RTA will be to give a support to the CRPC in the following:

- Monitoring and guidance of the whole project;
- Detailed assessment of the current situation in testing possibilities in Latvia and neighbouring countries, elaboration of the list of available testing facilities;
- Recommendations on the future planning of testing and sampling activities;
- Detailed analysis of the current situation in areas covered by the project – market surveillance of personal protective equipment, pressure vessels and pressure equipment, machinery, as well as enforcement of legislation in areas of information society services, financial services, unfair contract terms;
- Organization of efficient training of the staff of the beneficiary institutions;
- Organization for the CRPC staff a knowledge and know-how transfer from market surveillance and consumer protection legislation enforcement agencies of the Member States

Profile of EU Twinning expert – RTA:

- Comprehensive and practical 5 years experience in consumer protection and/or market surveillance
- Specific knowledge of the European policy on market surveillance and consumer protection; knowledge of legislative acts in European Union and one of the Member states
- Ability to analyse the different strategies and adapt these to the local environment and understand its constraints and possibilities
- Fluency in English

1 EU short-term expert in development of data collection system on injuries related with products and services (estimated 4 m/m):

Mandate of the short-term expert (STE) includes detailed assessment of the situation in Latvia concerning data collection and distribution on injuries related with products and services; preparation of recommendations concerning possibilities and best practices for the introduction of the system; organizing of the introduction of the system; elaboration of guidelines for the implementation of the data collection system on injuries related with products and services. Besides, the expert will conduct a seminar on data collection system for personnel of involved hospitals and market surveillance institutions (1 day, approx. 50 participants).

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the area of market surveillance or consumer protection, knowledge on the data collection system on injuries related with products and services in one of the Member states
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in information society services – for the setting up of the surveillance system concerning information society services (estimated 1 m/m):

Main task of the STE will include development of the surveillance system concerning enforcement of legislation in area of information society services, assistance for the setting up of the system, elaboration of the work procedures for the enforcement activities, issue of recommendations concerning planning of the activities, seminar for the officials of the CRPC and other surveillance institutions and ministries (2 days, approx. 15 participants)

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the field of surveillance of information society services
- Experience in IT systems
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in area of introduction of training and qualification scheme for officials of the market surveillance institutions (estimated 4 m/m):

The main task of the STE is to elaborate training and qualification programme for the inspectors of different market surveillance institutions, especially for the CRPC, taking into account existing possibilities in State Administration School and needs of different market surveillance institutions in Latvia; to prepare draft of annual plan for the training needs, to prepare sample overheads jointly with future trainers. Training of future trainers for the training and qualification programme (jointly with expert for training of the trainers for the officials of the market surveillance institutions) (2x 4 days in area about 50 km from Riga, approx. 16 participants).

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the field of training for the market surveillance officials
- Knowledge on market surveillance and consumer protection
- Good trainer skills
- Fluency in English

1 EU short-term expert in the area of training for trainers for officials of the market surveillance institutions (estimated 1.5 m/m)

The main task of the STE is preparation of the training programme for the future trainers for the officials of the market surveillance institutions, to prepare criteria for the future trainers, selection of the trainers; to organise and conduct training for trainers on training skills (2x 4 days in area about 50 km from Riga, 16 persons); to conduct qualification exam for the trainers (1 day, approx. 16 participants)

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the field of training for the market surveillance officials
- Specialist in training for trainers
- Fluency in English

1 EU short-term expert in market surveillance procedures (estimated 1 m/m):

Responsibility of the STE is to elaborate procedures necessary for the market surveillance – on withdrawal, inspection visits planning etc.; to conduct training on the best practices in case handling – procedures for the organisation of the inspection visit (2 days, approx. 25 participants); preparation of the checklists for the control of the products (toys, electric products, personal protective equipment, pressure vessels and pressure equipment)

Profile of EU short-term expert:

- Preferably of at least 5 years experience in practical market surveillance
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in field of personal protective equipment (1.5 m/m):

Main task of STE is to elaborate procedures for the organising of inspection visits concerning personal protective equipment, to prepare draft annual plan for the control and sampling; elaboration of checklists; to conduct training of the officials of the CRPC concerning personal protective equipment – safety aspects of different products, main requirements of the standards etc. (3 days, approx. 15 participants); elaboration of guidelines for entrepreneurs on the application of legislation in the area

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the field of personal protective equipment
- Experience in dealing with market surveillance of personal protective equipment
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in field of pressure vessels and pressure equipment (1.5 m/m):

Main task of STE is to elaborate procedures for the organising of inspection visits concerning pressure vessels and pressure equipment, to prepare draft annual plan for the control and sampling; elaboration of checklists; to conduct training of the officials of the CRPC concerning pressure vessels and pressure equipment – safety aspects of different products, main requirements of the standards etc. (3 days, approx. 15 participants); elaboration of guidelines for entrepreneurs on the application of legislation in the area

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the field of pressure vessels and pressure equipment
- Experience in dealing with market surveillance of pressure vessels and pressure equipment
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in field of machinery (1.5 m/m):

Main task of STE is to elaborate procedures for the organising of inspection visits concerning machinery, to prepare draft annual plan for the control and sampling; elaboration of checklists; to conduct training of the officials of the CRPC concerning machinery – safety aspects of different products, main requirements of the standards etc. (3 days, approx. 15 participants); elaboration of guidelines for entrepreneurs on the application of legislation in the area

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the field of machinery
- Experience in dealing with market surveillance of machinery
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in field of child articles not covered by the Toys directive (0.5 m/m):

Main task of STE is to conduct training of the officials of the CRPC concerning child articles not covered by the Toys directive – safety aspects of different products, main requirements of the standards etc. (3 days, approx. 15 participants)

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the field of child articles not covered by the Toys directive

- Experience in dealing with market surveillance of child articles not covered by the Toys directive
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in field of radio and telecommunications equipment (1.5 m/m):

Main task of STE is to elaborate procedures for the organisation of inspection visits concerning radio and telecommunications equipment, to prepare draft annual plan for the control and sampling; elaboration of checklists; to conduct training of the officials of the CRPC concerning radio and telecommunications equipment – safety aspects of different products, main requirements of the standards etc. (3 days, approx. 15 participants); elaboration of guidelines for entrepreneurs on the application of legislation in the area

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the field of radio and telecommunications equipment
- Experience in dealing with market surveillance of radio and telecommunications equipment
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in field of gas appliances (1 m/m):

Main task of STE is to elaborate procedures for the organising of inspection visits concerning gas appliances, to prepare draft annual plan for the control and sampling; elaboration of checklists; to conduct training of the officials of the CRPC concerning gas appliances – safety aspects of different products, main requirements of the standards etc. (3 days, approx. 15 participants); elaboration of guidelines for entrepreneurs on the application of legislation in the area

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the field of gas appliances
- Experience in dealing with market surveillance of gas appliances
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in field of recreational craft (0.5 m/m):

Main task of STE is to elaborate procedures for the organising of inspection visits concerning recreational craft, to prepare draft annual plan for the control and sampling; elaboration of checklists; to conduct training of the officials of the CRPC concerning recreational craft – safety aspects of different products, main requirements of the standards etc. (1 day, approx. 10 participants)

Profile of EU short-term expert:

- Preferably experience of at least 5 years in the field of recreational craft
- Experience in dealing with market surveillance of recreational craft
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in field of unfair contract terms (estimated 2 m/m):

Mandate of the STE include elaboration of the procedure for the enforcement of legislation on unfair contract terms, financial services (from consumer point of view), distance selling etc.; elaboration of the guidelines for the application of unfair contract terms directive, criteria for the evaluation of contract terms etc., to conduct training on unfair commercial practices for the officials of the CRPC (2 days, approx. 20 participants), to conduct training on unfair commercial practices for the judges, particularly of administrative courts (2x 2 days; approx. 20 participants).

Profile of EU short-term expert:

- Preferably of at least 5 years experience in consumer protection
- Experience on enforcement of unfair commercial practices
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in field of unfair business practices surveillance (estimated 2 m/m):

Mandate of the STE include elaboration of the procedure for the enforcement of legislation on unfair business practices; to elaborate draft annual plan for risk based marketing control; to conduct training on marketing control for the officials of the CRPC (2 days, 20 participants), to conduct training on marketing practices for the judges, particularly administrative courts (2x 1 day; 10 participants).

Profile of EU short-term expert:

- Preferably of at least 5 years experience in consumer protection
- Experience on enforcement of marketing legislation
- Good analytical and organizational skills
- Fluency in English

1 EU short-term expert in general market surveillance matters (estimated 1 m/m):

Responsibility of the STE is to conduct training for the newly recruited officials of the CRPC on basic market surveillance matters – conduct of inspection, procedures for the inspection, basic knowledge on the legislation on products (general product safety, New approach directives, other product directives) (2x 3 days, approx. 20 participants).

Profile of EU short-term expert:

- Preferably 5 years experience in market surveillance or consumer protection
- Good trainer skills
- Good analytical and organizational skills
- Fluency in English

Organization for the CRPC staff a **knowledge and know-how transfer** from the market surveillance and consumer protection legislation enforcement agencies of the EU Member States (Study visits, CRPC staff and State Labour inspection (SLI) staff participation in working groups, seminars, courses, etc), in particular:

- Practical aspects of the market surveillance of personal protective equipment (2 participants from CRPC and 1 from SLI, maximum 5 days); the aims of the study visit are:
 - to train participants on methods and procedures for market surveillance of personal protective equipment;
 - to train participants on applicable standards and guidelines in the area;
 - to train participants on market surveillance planning and preparation of sampling programmes,
 - to have practical training on sampling and testing;
 - to train participants in decision making concerning prohibition and restriction of free movement of goods.
- Practical aspects of the market surveillance of pressure vessels and pressure equipment (2 participants from CRPC and 1 from SLI, maximum 5 days); the aims of the study visit are:
 - to train participants on methods and procedures for market surveillance of pressure vessels and pressure equipment;
 - to train participants on applicable standards and guidelines in the area;

- to train participants on market surveillance planning and preparation of sampling programmes,
 - to have practical training on sampling and testing;
 - to train participants in decision making concerning prohibition and restriction of free movement of goods.
- Practical aspects of the market surveillance of machinery (2 participants from CRPC and 1 from SLI, maximum 5 days); the aims of the study visit are:
 - to train participants on methods and procedures for market surveillance of machinery;
 - to train participants on applicable standards and guidelines in the area;
 - to train participants on market surveillance planning and preparation of sampling programmes,
 - to have practical training on sampling and testing;
 - to train participants in decision making concerning prohibition and restriction of free movement of goods.
- Practical aspects of the market surveillance of radio and telecommunications equipment (2 participants from CRPC and 1 from Public utilities commission, maximum 5 days); the aims of the study visit are:
 - to train participants on methods and procedures for market surveillance of radio and telecommunications equipment;
 - to train participants on applicable standards and guidelines in the area;
 - to train participants on market surveillance planning and preparation of sampling programmes,
 - to have practical training on sampling and testing;
 - to train participants in decision making concerning prohibition and restriction of free movement of goods.
- Practical aspects of the market surveillance of gas appliances (2 participants from CRPC and 1 from SLI; maximum 5 days); the aims of the study visit are:
 - to train participants on methods and procedures for market surveillance of gas appliances;
 - to train participants on applicable standards and guidelines in the area;
 - to train participants on market surveillance planning and preparation of sampling programmes,
 - to have practical training on sampling and testing;
 - to train participants in decision making concerning prohibition and restriction of free movement of goods.
- Organisation of the enforcement of consumer protection legislation – unfair commercial practices, advertising, unfair contract terms (5 participants from CRPC, maximum 5 days); the aims of the study visit are:
 - to train participants on methods and procedures for enforcement of legislation on unfair commercial practices, advertising control, unfair contract terms;
 - to train participants on applicable guidelines in the area;
 - to train participants on planning of enforcement activities,
 - to get information on practical aspects of these activities;

- to train participants on organisation of practical evaluation of unfair business practices, advertising and unfair contract terms.

Local expert on quality system implementation (2 m/m)

(This activity will be funded exclusively from the national budget (costs are included in the project budget))

The main tasks of the expert will be to give a support to the CRPC in the following:

- Assistance to the CRPC to implement quality system in more areas, especially in market surveillance procedures;
- To elaborate quality system documents;
- Training of the staff on the quality system functioning.

Profile of local expert:

- Comprehensive and practical 3 years experience in quality system implementation
- Previous experience in state institutions would be advantage;
- Fluency in English

Running of training course according to the elaborated training programme (5 days, total 80 persons).

3.5 Lessons learned:

The previous Phare 2002 Twinning project “Market surveillance system in non-food area” as key recommendations has made following:

- The need to develop strategic, risk assessed and programmed approach to enforcement activities taken by the market surveillance institutions. The recommendation is under implementation in the Consumer Rights Protection Centre by developing new approach to the market surveillance planning and enforcement. In 2006 the new annual plan of the Consumer Rights Protection centre has been approved.
- The need for comprehensive, risk-based sampling and testing programme. It is planned that testing programme will be implemented in 2007, when additional resources will be available.
- The need of the business for the comprehensive system of advice. The Strategy of the Consumer Rights Protection centre for 2006 – 2010 has been elaborated, where specific attention is paid to the necessity to change market surveillance approach and to give advice to business.
- The necessity to develop an injury and accident recording system based on sample data from local hospitals. Several activities have been taken in order to discuss possibilities how to start development of the information gathering concerning injuries and accidents related with products. Further development is planned under this project.
- The necessity to develop a comprehensive training programme, introduce professional qualifications. This recommendation will be implemented by the assistance of this project, which will provide training for trainers.

4. Institutional Framework

The main institution for the implementation of the Project is the CRPC of Latvia. It will be also the main beneficiary of the Project.

Besides, representatives from Ministry of the Economics, Ministry of Welfare, several market surveillance institutions, hospitals and the courts will be invited to take part in the activities (mainly seminars). Ministry of Health and definite hospitals will be directly involved in the development of the data collection system on injuries. Due to fact that judges of the courts are of utmost importance for the enforcement of the unfair contract terms and other consumer legislation, the obtained knowledge for judges will be of particular importance. The consumer protection and market surveillance policy, which elaboration falls entirely under responsibility of the Ministry of Economics, will benefit from results of these activities. The market surveillance institutions also will benefit from the knowledge obtained in the seminars.

CRPC of Latvia is a state institution whose main aim is to enforce consumer rights and interests protection. It operates under the supervision of the Ministry of Economics and is responsible for the organization of enforcement of consumer legislation, as well as market surveillance of almost all non-food products. Other market surveillance institutions in Latvia are following:

1. State Sanitary Inspection - cosmetics, household chemicals.
2. State Construction Inspectorate – construction products.
3. State Revenue Service - fuel.
4. State labour inspection – market surveillance of products for professional use.

CRPC is also responsible for enforcement of consumer protection legislation in Latvia.

State Administration School is the institution organising training for the civil servants in Latvia.

A Steering Committee will be established to oversee the Project implementation. The Steering Committee will meet at least once a quarter and it will include the representatives from the CRPC, Ministry of Economics and Ministry of Health. The representative of the Ministry of Economics will chair the Steering Committee. CFCA, as well as NAC and NAO will be invited to the Steering Committee as observers.

The Steering Committee will:

- Review, comment and approve all reports and work plans;
- Solve the problems in the project environment;
- Monitor expenditure against the budgets;
- Ensure that project is commensurate with the aims and objectives of the Latvian Government and the requirements of the EU.

The owners of the delivered technologies as well as of software after project completion will become CRPC and relevant hospitals.

5. Detailed Budget

MEUR	Transition Facility support			Co-financing			Total cost (TF plus cofinancing)
	Investment Support	Institution Building	Total Transition Facility (=I+IB)	National Public Funds (*)	Other Sources (**)	Total co-financing of the project	
Contract 1 Twinning contract		0.730	0.730				0.730
Total		0.730	0.730				0.730

(*) contributions from National, Regional, Local, Municipal authorities, FIs loans to public entities, funds from public enterprises; parallel co- financing

(**) private funds, FIs loans to private entities

Contributions from the Latvian administration for effective implementation of the twinning/twinning light/TA may be further detailed in the twinning contract/Terms of references.

VAT does not constitute eligible expenditure except where it is genuinely and definitely borne by the final beneficiary. VAT which is considered recoverable, by whatever means, cannot be considered eligible, even if it is not actually recovered by the final beneficiary or individual recipient.

6. Implementation Arrangements

6.1. Implementing Agency

Implementing agency of the project will be the Central Finance and Contracting Agency (CFCA) of the Ministry of Finance. CFCA will be responsible for the financial and administrative management of the project in accordance with Extended Decentralized Implementation System.

Central Finance and Contracting Agency
Acting Director – Ms. Marita Salgrave
1 Smilsu street, Riga, LV-1050, Latvia
Phone: +371 7094342
Fax: +371 7094348

Programme Authorising Officer
Deputy State Secretary of the Ministry of Finance - Ms. Inta Vasaraudze
1 Smilsu street, Riga, LV-1050, Latvia

The technical implementation will be the responsibility of the CRPC:

Consumer Rights Protection Centre
Director - Ms. Baiba Vitolina
Kr. Valdemara 157, Riga, LV-1013, Latvia
Phone: (+371) 7220151
Fax: (+371) 7220151

The Ministry of Economics whose role is supervision of the Implementing Authority (CRPC) will ensure that the goals and objectives set in this project will correspond to those actually implemented:

Ministry of Economics
SPO
Deputy State Secretary - Mr. Andris Liepins
55 Brivibas street, Riga, LV-1519, Latvia
Phone: (+371) 7013167
Fax: (+371) 7013177

6.2. Twinning

Beneficiary institution:
Consumer Rights Protection Centre of Latvia;
Kr. Valdemara 157, Riga, LV-1013, Latvia

Project leader:
Consumer Rights Protection Centre
Director - Ms. Baiba Vitolina
Kr. Valdemara 157, Riga, LV-1013, Latvia
Phone: (+371) 7220151
Fax: (+371) 7220151

6.3. Non-standard aspects

There will be no non-standard aspects regarding implementation of the project. Twinning manual will be followed under Extended Decentralized Implementation System.

Ratio: if during project implementation the project cost for some reasons will decrease, the Transition Facility financing will also decrease proportionally.

6.4. Contracts

Twinning contract – 0,730 MEUR (parallel in kind co-financing will be ensured as stated in the Twinning Contract).

7. Implementation Schedule

7.1 Start of tendering/call for proposals

Contract 1 Twinning contract - Quarter IV 2006

7.2 Start of project activity

Contract 1 Twinning contract - Quarter II 2007

7.3 Project Completion

Contract 1 Twinning contract - Quarter II 2008

8. Sustainability

In 2006 additional financing has been provided for the CRPC – for strengthening of its capacity, obtaining screen testing equipment for electric products and toys, as well as for establishment of risk analysis division. It is planned to further strengthen CRPC in 2007 and 2008.

9. Conditionality and sequencing

No conditionalities.

ANNEXES TO PROJECT FICHE

1. Logical framework matrix in standard format
2. Detailed implementation chart
3. Contracting and disbursement schedule by quarter for full duration of programme (including disbursement period)
4. Indicative detailed budget breakdown

Transition Facility logframe

LOGFRAME PLANNING MATRIX FOR Project	Programme name and number	
Strengthening of the market surveillance system	Contracting period expires	Disbursement period expires
	Total budget: 0,730 MEUR	TF budget: 0,730 MEUR

Overall objective	Indicators of Achievement	Sources of Information	
<ul style="list-style-type: none"> Providing adequate market surveillance and enforcement of consumer protection legislation 	<ul style="list-style-type: none"> Compliance level with <i>acquis</i> in consumer protection and free movement of goods Increase of targeted market surveillance activities 	<ul style="list-style-type: none"> CRPC annual report CRPC annual plans Annual report of the Ministry of Economics 	
Project purpose	Indicators of Achievements	Sources of Information	Assumptions
<ul style="list-style-type: none"> Strengthen enforcing capacities in the field of market surveillance and consumer protection according to current and identifiable additional <i>acquis</i> in the field of consumer protection and product safety 	<ul style="list-style-type: none"> Introduced comprehensive market surveillance procedures in specified areas 	<ul style="list-style-type: none"> Monitoring reports Sectoral assessment reports; CRPC annual report CRPC annual plans 	<ul style="list-style-type: none"> Additional financing allocated to the CRPC
Results	Indicators of Achievement	Sources of Information	Assumptions
<p>Mandated results:</p> <ul style="list-style-type: none"> ➤ Elaborated procedures for the enforcement of legislation on information society services ➤ Experience and skills of the CRPC staff increased ➤ Elaborated procedures and plans for the surveillance of specified products ➤ Elaborated guidelines on introduction of the data collection system on injuries related with products and services ➤ Newly recruited staff of the CRPC trained ➤ Guidelines on the implementation of specified legislation elaborated ➤ Scope of the quality system in the CRPC widened <p>Overall results: Capacity of the CRPC increased in order to ensure adequate market surveillance and enforcement of consumer protection legislation in line with requirements of <i>acquis</i> in the field</p>	<ul style="list-style-type: none"> Guidelines on data collection system on injuries elaborated Information society services legislation enforcement procedures introduced 6 guidelines on enforcement of legislation elaborated About 90 persons trained in 15 seminars 80 persons trained in training programme; 30 judges trained in 4 seminars 50 persons from hospitals and MSI trained on data collection on injuries 	<ul style="list-style-type: none"> RTA [Resident Twinning Advisor] reports CRPC annual plans CRPC home page 	<ul style="list-style-type: none"> Co-operation with other market surveillance institutions Cooperation with Ministry of health and hospitals Change in the structure and functions of the institutions involved Government support to the market surveillance institutions

Activities	Means		Assumptions
	<ul style="list-style-type: none"> • Twinning: 		<ul style="list-style-type: none"> • No delays with contracting

<ul style="list-style-type: none"> ➤ Detailed assessment of the current situation in testing possibilities in Latvia and neighbouring countries, elaboration of the list of available testing facilities, recommendations for future planning of testing activities ➤ Detailed assessment of the current situation concerning data collection on injuries related with products and services; ➤ Development of the guidelines for the data collection system on injuries related with products and services ➤ Implementation of methodology for the system functioning, training of hospitals personnel on the functioning of the system ➤ Support to the CRPC in setting up of the surveillance system concerning information society services ➤ Training of CRPC on enforcement of information society services legislation ➤ Elaboration of the training and qualification programme for market surveillance inspectors and consumer protection inspectors ➤ Training for trainers programme – elaboration of the programme and training ➤ Training of CRPC on specific market surveillance procedures, case handling ➤ Elaboration of procedures necessary for market surveillance – withdrawal, planning of the inspection ➤ Elaboration of checklists for inspections ➤ Training of CRPC on safety aspects of specified products ➤ Elaboration of guidelines for the entrepreneurs and enforcement agencies ➤ Elaboration of the procedures for the enforcement of unfair contract terms directive – application of the fairness criteria; directives on financial services (consumer credit, distance marketing of financial services), directive on distance marketing ➤ Elaboration of the procedures for the enforcement of directive on unfair business practices ➤ Training of new staff on different consumer protection and market surveillance matters 	<ul style="list-style-type: none"> • RTA – 12 m/m • Short-term expert in development of data collection system on injuries – 4 m/m • Short-term expert in information society services – 1 m/m • Short-term expert for introduction of training and qualification scheme – 4 m/m • Short-term expert for training of trainers – 1,5 m/m • Short term expert in market surveillance procedures – 1 m/m • Short term expert in personal protective equipment – 1,5 m/m • Short term expert in pressure vessels and pressure equipment – 1,5 m/m • Short term expert in machinery – 1,5 m/m • Short term expert in radio and telecommunications equipment – 1,5m/m • Short term expert in child articles – 0,5 m/m • Short term expert in gas appliances – 1 m/m • Short term expert in recreational craft – 0,5 m/m • Short-term expert in unfair contract terms – 2 m/m • Short-term expert in unfair business practices control – 2 m/m • Short-term expert in general market surveillance matters – 1 m/m • 1 seminar for hospitals and market surveillance institutions on data collection system (1 day; 50 persons) • Seminar on information society services (2 days, approx. 15 persons) • Training for trainers (2 x 4 days, approx. 16 participants) • Qualification exam for trainers (1 day, approx. 16 participants) • Seminar on inspection visit (2 days, approx. 25 persons) • Seminar on personal protective equipment (3 days, approx. 15 persons) • Seminar on pressure vessels and pressure equipment (3 days, approx. 15 persons) • Seminar on machinery (3 days, approx. 15 persons) • Seminar on child care articles (3 days, approx. 15 persons) • Seminar on radio and telecommunications equipment (3 days 		<ul style="list-style-type: none"> • of the Twinning partners • No delays with the contract on service and supply
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<ul style="list-style-type: none">▪ Organization of knowledge and know-how transfer from the market surveillance and consumer protection legislation enforcement agencies of the EU Member States to the CRPC staff to get acquainted with practical enforcement activities aspects in solving particular issues of the project through study visits in the Member States’, participation in international seminars, working groups, courses and like▪ Consultation on quality system implementation – further development of the system in all activities of the CRPC▪ Translation of the guidelines on enforcement of legislation▪ Running of training course according to the elaborated training programme	<ul style="list-style-type: none">▪ Study visits (6 visits, 20 participants), CRPC staff participation in working groups, seminars, courses, etc (approximately 10 events, maximum 20 persons, estimated 3 days visits)• Local expert on quality system implementation (2m/m)• Translation• Training (5 days, 80 persons)		
			Preconditions

DETAILED IMPLEMENTATION CHART*

	2006	2007												2008				
	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M
Contract 1																		
Twinning contract																		
<i>Call for proposals</i>	X																	
<i>Evaluation of proposals</i>				X	X	X												
Overall management of the project							X	X	X	X	X	X	X	X	X	X	X	X
Detailed assessment of the current situation in testing possibilities in Latvia and neighbouring countries, elaboration of the list of available testing facilities										X		X						
Detailed assessment of the current situation concerning data collection on injuries related with products and services						X	X	X	X									
Development of the guidelines for the data collection system on injuries related with products and services									X	X								
Support to the CRPC in setting up of the surveillance system concerning information society services						X				X								
Training of CRPC on enforcement of information society services legislation										X								
Elaboration of the training and qualification programme for market surveillance inspectors and consumer protection inspectors					X	X	X			X								
Training for trainers programme- elaboration of the programme and training										X	X							
Training of CRPC on specific market surveillance procedures, case handling; Elaboration of procedures necessary for market surveillance- withdrawal, planning of the inspection; Elaboration of checklists for inspections											X	X						
Training and consultation of CRPC on safety aspects of specified products																		
• Personal protective equipment								X										
• Pressure vessels and pressure equipment										X								
• Machinery											X							
• Child articles											X							
• Radio and telecommunications equipment												X						
• Gas appliances															X			
• Recreational craft																X		
Elaboration of guidelines for the entrepreneurs and enforcement agencies								X			X		X	X				

	2006	2007												2008				
	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	A	M
Elaboration of the procedures for the enforcement of unfair contract terms directive – application of the fairness criteria; directives on financial services (consumer credit, distance marketing of financial services), directive on distance marketing											X	X						
Training of new staff on different consumer protection and market surveillance matters						X	X			X								
Study visits, CRPC staff participation in working groups, seminars, courses, etc.								X	X	X	X	X	X	X	X	X	X	
Consultation on quality system implementation- further development of the system in all activities of the CRPC							X	X	X	X								
Translation of the guidelines on enforcement of legislation														X	X	X		
Training on data collection system on injuries												X						
Running of training course according to the elaborated training programme															X			

*indicative estimates

CUMULATIVE CONTRACTING AND DISBURSEMENT SCHEDULE
Transition Facility Programme 2006 (MEUR)

	2007			2008		
	II	III	IV	I	II	III
Contract 1 – Twinning Contract						
Contracted total	0,730					
TF	0,730					
Disbursed total						
TF	0,584					0,730

**Indicative detailed Budget Breakdown
(EUR)**

Results (Outputs)	Activities (Inputs) /Means	COST ESTIMATE*	
		TF	National co-financing
TWINNING			
	Overall management of the projects RTE – 12 m/m, including local assistant	242 000	National co-financing ensured according to the Twinning Contract
Development of data collection system on injuries related with products and services	Short-term expert in development of data collection system on injuries related with products and services - 4 m/m	88 000	National co-financing ensured according to the Twinning Contract
Setting up of the surveillance system concerning information society services	Short-term expert in information society services - 1 m/m	22 000	National co-financing ensured according to the Twinning Contract
Introduction of training and qualification scheme for officials of the market surveillance institutions	Short-term expert in training and qualifications organization - 4 m/m	88 000	National co-financing ensured according to the Twinning Contract
Training for trainers for officials of the market surveillance institutions	Short-term expert in training for trainers – 1,5 m/m	33 000	National co-financing ensured according to the Twinning Contract
Elaboration of the market surveillance procedures for CRPC	Short-term expert in market surveillance procedures - 1 m/m	22 000	National co-financing ensured according to the Twinning Contract
Training of officials of CRPC on personal protective equipment, elaboration of guidelines	Short-term expert in the field of personal protective equipment – 1,5 m/m	33 000	National co-financing ensured according to the Twinning Contract
Training of officials of CRPC on pressure vessels and pressure equipment, elaboration of guidelines	Short-term expert in the field of pressure vessels and pressure equipment – 1,5 m/m	33 000	National co-financing ensured according to the Twinning Contract

Training of officials of CRPC on machinery, elaboration of guidelines	Short-term expert in the field of machinery – 1,5 m/m	33 000	National co-financing ensured according to the Twinning Contract
Training of officials of CRPC on and telecommunications equipment, elaboration of guidelines	Short-term expert in the field of and telecommunications equipment – 1,5 m/m	33 000	National co-financing ensured according to the Twinning Contract
Training of officials of CRPC on gas appliances, elaboration of guidelines	Short-term expert in the field of gas appliances – 1 m/m	22 000	National co-financing ensured according to the Twinning Contract
Training of officials of CRPC on recreational craft	Short-term expert in the field of recreational craft – 0,5 m/m	11 000	National co-financing ensured according to the Twinning Contract
Training of officials of CRPC and judges on unfair contract terms and other consumer protection legislation	Short-term expert in unfair contract terms – 1,5 m/m	33 000	National co-financing ensured according to the Twinning Contract
Training of officials of CRPC and judges on unfair business practices control	Short-term expert in unfair business practices control – 1,5 m/m	33 000	National co-financing ensured according to the Twinning Contract
Data collection system on injuries	Seminar (2 days, 25 participants)		Financed solely from the state budget, the approximate estimate is 2 500
Enforcement of information society services legislation	Seminar (2 days, 15 participants)		Financed solely from the state budget, the approximate estimate is 1 750
Training for trainers	Workshop (8 days, 16 participants)		Financed solely from the state budget, the approximate estimate is 4 000

Qualification exam for trainers	Exam (1 day, 16 participants)		Financed solely from the state budget, the approximate estimate is 850
Case handling, organisation of inspection visit	Seminar (2 days, 25 participants)		Financed solely from the state budget, the approximate estimate is 2 500
Personal protective equipment	Seminar (3 days, 15 participants)		Financed solely from the state budget, the approximate estimate is 2 500
Pressure vessels and pressure equipment	Seminar (3 days, 15 participants)		Financed solely from the state budget, the approximate estimate is 2 500
Machinery	Seminar (3 days, 15 participants)		Financed solely from the state budget, the approximate estimate is 2 500
Radio and telecommunications equipment	Seminar (3 days, 15 participants)		Financed solely from the state budget, the approximate estimate is 2 500
Gas appliances	Seminar (3 days, 15 participants)		Financed solely from the state budget, the approximate estimate is 2 500

Recreational craft	Seminar (1 day, 10 participants)		Financed solely from the state budget, the approximate estimate is 850
Unfair contract terms	Seminars (2 days, 20 participants)		Financed solely from the state budget, the approximate estimate is 2 000
Unfair contract terms (for judges)	2 seminars (2 days each, 20 participants)		Financed solely from the state budget, the approximate estimate is 4 000
Unfair commercial practices	Seminars (2 days, 20 participants)		Financed solely from the state budget, the approximate estimate is 2 000
Unfair commercial practices (for judges)	2 seminars (1 day each, 10 participants)		Financed solely from the state budget, the approximate estimate is 1 700
General market surveillance matters for new staff	2 seminars (3 days each, 20 participants)		Financed solely from the state budget, the approximate estimate is 6 000
Study visits, participation in international seminars, working groups, courses and like	Study visits (6 visits, 3 – 5 persons, 5 days), CRPC staff participation in working groups, seminars, courses, etc. (approximately 5 events, maximum 10 persons 4 days visits)		
	<ul style="list-style-type: none"> • per diems and fees 		Financed solely from the state budget, the approximate estimate is 16 920

	<ul style="list-style-type: none"> travel 		Financed solely from the state budget, the approximate estimate is 15 600
Local short term expert on quality system implementation – further development of the system in all activities of the CRPC	Short-term expert quality systems - 2 m/m		Financed solely from the state budget, the approximate estimate is 18 000
Translation of the guidelines	Translation costs (6 guidelines, 25 -40 pages each)		Financed solely from the state budget, the approximate estimate is 4 200
Running of training programme	Training 4x 5 days, total 80 persons		Financed solely from the state budget, the approximate estimate is 20 000
Final audit		4000	National co-financing ensured according to the Twinning Contract
Total		730 000	135 370

*Indicative costs