Standards Council of Canada
Conseil canadien des normes

Summary of the Standards Council of Canada's Information Session on the Conformity Assessment Protocol of the Canada-EU Comprehensive Economic and Trade Agreement

May 10, 2017

Executive Summary

This report summarizes the Standards Council of Canada's (SCC) consultation with key stakeholders, including Conformity Assessment Bodies (CABs) and regulators, on the Conformity Assessment (CA) Protocol of the Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA).

The session took place on March 22, 2017 in Ottawa, Ontario with over 80 attendees and included participation from Global Affairs Canada. The session's purpose was to provide an introduction to CETA, the CA Protocol, and information on SCC's ongoing work with the European co-operation for Accreditation (EA). The session had two main goals:

1) To help CABs and regulators understand the benefits and process of CETA and its potential impact on the Canadian standardization network; and
2) To consult with key Canadian stakeholders and seek input on the CA Protocol implementation process.

SCC stressed a number of key messages during the session, including:

- The Protocol only applies to products that require third-party certification in order to enter Canadian or EU markets. As such, Supplier's Declaration of Conformance (SDoC) falls outside the scope of the Protocol.

- The framework for mutual recognition of accreditation is still under development. Mutual recognition of accreditation will occur only when SCC and EA deem both parties to be ready. Products will be selected and implemented on a schedule mutually agreed on by both SCC and EA. CABs and regulators will be consulted on the implementation schedule.

- A pilot project in the area of HAZLOC/ATEX will be used to build a common understanding between SCC and EA to define what model will be used to implement mutual recognition. SCC will continue to engage with CABs and regulators as the model is being developed to solicit their input on the time frame for implementing product categories.

- CETA does not require recognition or acceptance of the other Party's technical regulations, or limit a Party's right to set technical regulations or conformity assessment procedures. The CA Protocol does not require the harmonization of standards or requirements; it establishes a framework to facilitate the mutual recognition of certification to different requirements.

- A Technical Expert Group (TEG), composed of accreditation experts from SCC and EA, has been created to determine if there are any differences in how the requirements of accreditation are applied and interpreted by SCC and EA. The TEG will plan and carry out observational visits in order to gain mutual confidence in our respective accreditation systems.

Stakeholders at the session provided valuable feedback to SCC, highlights of which include:

- CABs and regulators are keen to be involved in the consultation process for the implementation of the CA Protocol.

- There is a need for SCC to establish and communicate the process that will be used for advising regulators and CABs about new EU CABs certifying for the Canadian market.

- The product categories listed in the CA Protocol are very broad. Participants asked for more detail on which products are under consideration in order to provide advice on key considerations and timelines.

Background

CETA is expected to boost Canada's trade with the world's second-largest market, the EU. This progressive free trade agreement covers virtually all sectors and aspects of Canada-EU trade relationship in order to eliminate or reduce barriers.

In addition to tariff-based trade barriers CETA also addresses non-tariff barriers, including technical barriers to trade (TBT). The TBT provisions of the agreement include measures to facilitate and simplify the conformity assessment process for exporters of products between the Canadian and EU markets. The Protocol on the mutual acceptance of the results of conformity assessment, referred to as the Conformity Assessment (CA) Protocol, lays out a process for the mutual acceptance of test results and product certifications by Canadian and EU-recognized CABs. For specific product categories covered by the CA Protocol, Canada and the EU have agreed to work to mutually recognize the accreditation of CABs of the other party to test to their respective requirements.

It is important to note that the CA Protocol does not restrict Canadian and EU regulators from setting their own requirements; it simply provides a mechanism for mutual recognition of the certification/testing to those different requirements. Stakeholders should also be aware that the CA Protocol only applies to the certification of products by accredited third party CABs. As such, certification of products through suppliers' declaration of conformance falls outside the scope of the CA Protocol.

The signing of a bilateral cooperation agreement between SCC and EA, an association of national accreditation bodies in Europe, will facilitate the implementation of the CA Protocol in CETA, allowing for the mutual acceptance of test results and product certifications between Canada and the EU and their recognized bodies.

Through SCC's agreement with EA, Canadian CABs will be eligible to be recognized by the EU if they are accredited by SCC. Similarly, EU CABs will also be eligible to be recognized in Canada if they are accredited by an accreditation body that is a member of EA.

Summary of Session

John Walter, Chief Executive Officer of SCC, began the session by highlighting that the CA Protocol was made possible because of the strong accreditation systems in Canada and the EU. Both systems are based on a number of common principles, including strong government oversight of accreditation and a commitment to facilitate the regional and international mutual recognition of conformity assessment results.

Shendra Melia, Director, Technical Barriers and Regulations Division, Global Affairs Canada, provided an overview of CETA. She explained that, since 2004, Canada and the EU have been working together to promote best practices aimed at eliminating unnecessary barriers to trade, and CETA is the culmination of these efforts. Canada is working on a priority basis to complete the Parliamentary process for CETA implementation. It is anticipated that CETA will come into effect in Summer 2017.

Overview on the implementation of the Conformity Assessment Protocol of CETA

Stephen Head, Manager of Strategic Policy and Sector Engagement at SCC, provided an overview of the CETA CA Protocol. The CA Protocol establishes a mechanism that will allow Canadian companies in selected product categories to have their products tested and certified for the EU market in Canada, and EU companies to have their products tested and certified for the Canadian market in the EU. The product categories are listed in Annex 1 of the CA Protocol.

Mutual recognition of accreditation will only occur once SCC and EA deem both parties to be ready. Products will be selected and implemented on a schedule mutually agreed on by both SCC and EA. Stakeholders will continue to be engaged throughout the process.

Following the presentation, participants asked questions relating to the CA Protocol, including the questions pertaining to the preconditions for CABs to participate in the Protocol. SCC clarified that a Canadian CAB must have a legal presence in Canada and be accredited by SCC to ISO/IEC 17065, in order to participate.

SCC also responded to questions on CETA's potential impact on regulation. SCC noted that changes to federal, provincial, and territorial regulations may be required in instances where the regulation may include a statement requiring SCC accreditation. As the product category implementation continues over the coming years, SCC will work with regulators to identify references where regulation may require updating in order to accept product certification by recognized CABs in the EU.

SCC clarified that the current English and French language requirements that apply to SCC-accredited CABs will also apply to EU-recognized CABs.

Implementing the CETA Conformity Assessment Protocol through the SCC-EA Partnership

Chantal Guay, Vice President of Accreditation Services at SCC, presented an overview of the SCC-EA Bilateral Cooperation Agreement and noted how it will facilitate the implementation of the CA Protocol. She emphasized that SCC's work with EA on mutual recognition is in the very early stages.

SCC and EA are beginning with a pilot project as a first step toward creating a framework to facilitate mutual recognition. The goal of the pilot project is to develop a model that can be used to implement other product categories.

The pilot project will begin with SCC and EA undertaking observation visits of CABs in one another's jurisdictions to better understand their respective accreditation systems. These visits will consist of EA observing SCC conducting an assessment of a CAB to Canadian requirements and SCC observing EA conducting an assessment of a CAB to European requirements. It should be noted that the purpose of these first assessments is for each party to observe and learn about the conformity assessment processes of the other party. These visits are for information and confidence-building purposes only and will not result in mutual recognition. Mutual recognition will not occur until a sufficient degree of mutual confidence in the respective accreditation systems of Canada and the EU has been achieved.

Following these observational visits, the parties will undertake a comparison of conformity assessment processes and the regulatory requirements that CABs must meet in the applicable EU and Canadian regulations in the product category of HAZLOC/ATEX. CABs and regulators will be consulted to inform the work of the pilot project.

Following the presentation, participants asked questions regarding certification marks and the process that SCC will use to inform Canadian stakeholders which EU CABs have been recognized by SCC. SCC clarified it will utilize the NANDO Database currently used in the EU, and provide a link to this information on SCC's corporate website. SCC will also host this information on its corporate website.

Following the discussion, participants were consulted on a series of questions (see Annex A for a summary of the discussion). SCC will draw on the information and recommendations made during this consultation to shape the implementation of the CA Protocol going forward as well as the input that will be provided by regulators and CABs as we continue our consultations throughout the project.

Next Steps

Next steps for SCC include:

➢ Continue its consultations with Canadian CABs, regulators, and industry.

➢ Conduct observation visits with EA during Spring/Summer, 2017;

➢ Form a working group with Canadian CABs to consult on the model for mutual recognition in Fall, 2017; and,

➢ Hold a consultation sessions with stakeholders on outcome of observation visits and next steps for the CA protocol in Fall, 2017, and;

➢ Hold an information session for stakeholders on the EU regulatory and conformity assessment system in Fall, 2017.

SCC is looking forward to working with key stakeholders to continue the momentum that is building around CETA in Canada, and the opportunities it will bring for Canadian and EU companies.

Annex A – Round Table Discussion

Participants were asked to focus on two topics. The first round of questions focused on the pilot project and the second round focused on the mutual recognition model and the rollout to other product categories. Below is an excerpt of some of the discussion points.

Q1 – What considerations should be included in this pilot?

- Visibility will be one of the keys to success. It may be an idea for SCC to host a database (similar to NANDO) for any CAB or Notified Body accredited by SCC or EA with a scope to certify products under the Protocol so that regulators, other CABs, and stakeholders can quickly validate which CABs/certifications/marks/scopes can be accepted for both products and components.
- ATEX is only one of a number of Directives that may be applicable to electrical equipment for use in potentially explosive atmospheres. In order to apply the CE Mark, the equipment must comply with all applicable directives.
- Under ATEX, some categories of equipment do not require conformity assessment by a Notified Body, they can be placed on the market with only a manufacturer's declaration.
- Use and engage experts who have a diverse range of expertise to ensure the pilot can be developed into a more general model.
- Consider what the process will be for F/P/T regulators to follow-up with manufacturers.
- Consider developing a scope equivalency document in product sectors to clearly delineate what is in scope and what is not.

Q2 – What risks or challenges should be mitigated in order to achieve a successful implementation?

- A European based CAB may not be familiar with Canadian laws and regulations concerning product incident reporting and investigations. Properly administering corrective actions and product recalls may tend to be more difficult or delayed if not performed locally in Canada.
- One of the significant challenges may be how to ensure accountability of CABs, as well as manufacturers, where product incidents occur, either under the European directives or Canadian law.
- EU Notified Bodies may not have any experience with electrical safety assessments. EU Notified Bodies must be accredited for the applicable HAZLOC standards as well as the most common general purpose standards. Some training may be required.
- Some P/T regulations require HAZLOC (and other product) certification to be conducted by an "SCC Accredited" CAB. Regulators will need to consider updating their regulations to accept accreditation from an EA Notified Body recognized by SCC in product categories that become operationalized under the Protocol.
- Whereas the EU uses the CE mark, Canadian CABs each have their own unique mark.
- EU Notified Bodies will have to become familiar with laws and regulations in Canada.

Q3 – How well will this model apply to other product categories?

- Unlike the ATEX Directives in the EU, Canadian products that are being considered for HAZLOC certification must first undergo testing, and obtain ordinary location certification as required by the Canadian Electrical Code. This requirement is unique to HAZLOC and may not be an issue with other product categories, and may make the pilot project more complex. .
- If the model becomes too complex, it may not be financially viable or feasible for the industry to support (CABs, ABs, etc). This should be kept in mind as a key component in designing the model. If the ATEX program is successful, likely it will be successful for other product areas.
- A list of proposed products under each product category would be helpful.

Q4 – Which product categories should be prioritized for implementation?

- Electrical and electronic equipment, including electrical installations and appliances, and related components, are categories of products included in CETA. However, some of these products in Europe do not require third party certification as they are included in the Low Voltage Directive which allows for self-declaration of conformity (SDoC).
- Start with categories related to the pilot project ATEX/HAZLOC: Machinery and Electrical.
- Since mutual recognition agreements require a confidence building phase, start with non-safety-related categories.
- Start with items that will have a big economic impact for Canada to demonstrate the value of CETA and the Protocol. Consider the construction sector due to trade importance: plumbing, insulation, indoor air quality, composite laminate timber, solar, and industrial boilers.

Q5 – What is the best way to engage with stakeholders as other product categories are rolled out?

- Suggestions for future engagement could include follow-up meetings, information sessions, and electronic monthly newsletter.
- Form a focus group, invite stakeholders to join, have meetings/teleconferences, documents, etc. circulated through electronic correspondence
- Work with F/P/T departments who oversee trade.

Q6 – How can SCC best support Canada's regulatory network to successfully implement further product categories?

- Canada has one of the best defined regulatory frameworks globally. Each sector is represented by Regulatory Authority Advisory Bodies (RAABs); CACES, IGAC, Plumbing, Fire, etc. SCC should work with these RAABs for input.
- Continue to engage and build trust.
- SCC could look into having another information session with representatives from the EU who can explain their system and processes.

Annex B – Information Session Agenda

Time	Subject	Presenter
9:30 to 10:00 AM	**Registration and Networking**	
10:00 AM	Welcome	John Walter, Chief Executive Officer, Standards Council of Canada
10:15 AM	Opening remarks and introduction to CETA	Shendra Melia, Director, Technical Barriers and Regulations Division, Global Affairs Canada
10:30 AM	Introduction to the Workshop • Agenda and Approach	Frank Van Gool, Intersol Facilitator
10:30 AM	Overview on the implementation of the Conformity Assessment Protocol of CETA	Stephen Head, Manager, Strategic Policy and Sector Engagement, Standards Council of Canada
11:00 AM	Open Forum: • Key Messages • Reactions • Questions of Clarification	Round Table and Online Discussions
12:00 to 1:00 PM	**Networking Lunch**	
1:00 PM	Implementing CETA Conformity Assessment Protocol through SCC-EA Partnership	Chantal Guay, Vice President, Accreditation Services, Standards Council of Canada
1:30 PM	Focus on the Pilot Model Round 1: *Q1 – Are there any additional considerations that should be included in this pilot?* *Q2 – What risks or challenges should be*	Round Table and Online Discussions

	mitigated in order to achieve a successful implementation? *Q3 – How well will this model apply to other product categories? Please explain.* Plenary Debrief	
2:45 PM	**Break**	
3:00 PM	Focus on Rollout of the Mutual Recognition Model Round 2: *Q4 – Which product categories should be prioritized for implementation? Why?* *Q5 – What is the best way to engage with stakeholders as other product categories are rolled out?* *Q6 – How can SCC best support Canada's regulatory network to successfully implement further product categories?* Plenary Debrief	Round Table and Online Discussions
4:15 PM	Closing Comments	Chantal Guay, Vice President, Accreditation Services, Standards Council of Canada
4:30 PM	**Meeting Close**	

Product Coverage under the CETA Conformity Assessment Protocol

(a) Electrical and electronic equipment, including electrical installations and appliances, and related components;

(b) Radio and telecommunications terminal equipment;

(c) Electromagnetic compatibility (EMC);

(d) Toys;

(e) Construction products;

(f) Machinery, including parts, components, including safety components, interchangeable equipment, and assemblies of machines;

(g) Measuring instruments;

(h) Hot-water boilers, including related appliances;

(i) Equipment, machines, apparatus, devices, control components, protection systems, safety devices, controlling devices and regulating devices, and related instrumentation and prevention and detection systems for use in potentially explosive atmospheres (ATEX equipment);

(j) Equipment for use outdoors as it relates to noise emission in the environment; and

(k) Recreational craft, including their components.

Sectors that may be included 3 years after implementation of CETA

(a) Medical devices including accessories;

(b) Pressure equipment, including vessels, piping, accessories and assemblies;

(c) Appliances burning gaseous fuels, including related fittings;

(d) Personal protective equipment;

(e) Rail systems, subsystems and interoperability constituents; and

(f) Equipment placed on board a ship