



**Economic and Social
Council**

Distr.
GENERAL

TRADE/WP.6/2002/13/Add.1
9 October 2002

ENGLISH AND RUSSIAN ONLY

ECONOMIC COMMISSION FOR EUROPE

COMMITTEE FOR TRADE, INDUSTRY AND
ENTERPRISE DEVELOPMENT

Working Party on Technical Harmonization
and Standardization Policies

Twelfth session, 28-30 October 2002

Item 8 (c) of the provisional agenda

CONFORMITY ASSESSMENT
Policy Issues regarding Quality Assurance

This paper on the Development of Quality Issues in Ukraine has been submitted by the Ukrainian Association for Quality.

This document is presented for information to delegates. It is reproduced in the form in which it was received by the secretariat.

THE DEVELOPMENT OF QUALITY ISSUES IN UKRAINE

“Now Ukraine is one of the most successful east-European countries in the context of the European Quality Award”. (Alain de Dommartin, General Secretary of the European Foundation for Quality Management)

Quality Award Winners in Ukraine

On 6 October 1999, a historical event for Ukraine took place. The Brovary “Road-building department-50 (RBD-50)” (winner of the 4th Ukrainian National Quality Award), for the first time in history of the Commonwealth of Independent States (CIS), became a finalist in the most prestigious European competition - the European Quality Award in the category of "Independent Small and Medium-sized Enterprises" (under 250 employees). In 2000 the RBD- 50 reiterated its success. In 2001 four Ukrainian enterprises have already achieved remarkable results. The Company ”Sandora” (Nikolaev) - the winner of the 5th Ukrainian National Quality Award traditionally became the second Ukrainian enterprise, which was recognized as a finalist for the European Quality Award. It has to be mentioned that Ukraine is the only CIS country that has companies that are finalists for the European Quality Award.

Three Ukrainian enterprises - winners of the Ukrainian National Quality Award from different years (company JV “Intersplav”, International airport “Boryspil” and company CJSC “Farmak”) were recognized for their quality management systems in accordance with the EFQM (European Foundation for Quality Management) Model by nomination in the category for “Large Enterprises” and received the Certificate “Recognised for Excellence” in quality management standards in the results of the European Quality Competition 2001. Among such EFQM nominations for enterprises from eastern Europe such certificates have been received in the past by only three enterprises from Hungary and one from Russia. But the achieved outcomes would have been impossible without many years taken in forming positive public opinion and policy in the field of quality, and without providing enterprises with methodological and practical support from professional organizations.

Ukrainian Association for Quality (UAQ)

The concept of a public movement for quality in Ukraine is connected with creation of the Ukrainian Association for Quality (UAQ) in 1989. UAQ is Ukrainian non-governmental professional public union and it is the first national public organization in the field of quality on former Soviet Union territory. As distinct from any other public organization, the UAQ was created not by an instruction

given from above, but quality specialists were its founders by their own initiative. The main goal of the UAQ is forming public opinion and policy in the field of quality; the identification of enterprises with quality goals and supporting their positive image, competitiveness, generalization and distribution of their good experience and the practice of business excellence and quality improvement. During its existence the Ukrainian Association for Quality, in cooperation with powerful international organizations in the field of quality, and together with many Ukrainian State and public organizations has achieved considerable positive progress in the perception of quality issues in society as well as the concrete outcomes of increased of business performance and the increased competitiveness of domestic enterprises. We cannot say that a quality philosophy has already been widely accepted by the Ukrainian people but the achieved changes created the basis for positive economic movement in Ukraine during the last two years. Today, UAQ forms a collective of nearly 450 leading Ukrainian enterprises and more than 1000 production managers, scientists and professionals in the field of quality from different countries of the world.

There are some regional departments, technical committees, unions, clubs, and scientific-research organizations in the structure of the Ukrainian Association for Quality. The UAQ develops its activity in many different directions in order to involve domestic enterprises in the process of perfecting their quality performance. A lot of scientific, technical and methodological materials on quality issues were published and distributed recently by the Ukrainian Association for Quality. Due to the mass media, millions of Ukrainian citizens have learned about measures in support of quality conducted by the Ukrainian Association for Quality.

Training Activities under UAQ:

Professional structures play a very important role in the UAQ's activities. They directly reflect the policy of the Association and practically promote the increasing improvement and competitiveness of national enterprises. First of all, there is the Interbranch Centre for Quality "PRIROST" (the main organization of UAQ), that was founded in 1991 on the basis of the "Cybernetic Institute NASU" as a professional science-technical organization for quality. PRIROST provides Ukrainian enterprises and organizations with a wide range of highly professional services that are necessary for continuous improvement and providing competitiveness. It cooperates with a number of professional organizations in Ukraine and abroad in the field of quality. On the basis of "PRIROST" the following centres have been created and are functioning successfully: a centre for personal training in the field of quality, the certification body for quality systems "PRIROST"; an expert-methodological centre that provides organization-methodological support for the Ukrainian Quality Award; and a number of other specialized scientific-technical centres. Subsidiary companies of "PRIROST" provide firms

from different branches of production and services with professional methodological and practical support in creation and implementation of modern quality systems on the basis of ISO 9000 standards, TQM and EFQM. principles. The Centre for Personal Training “PRIOST” – is the only national educational organization, that provides professional training for specialists according to the European scheme of quality personnel certification, that is recognised in the countries of Europe and of the world. Certification Body of Quality Systems, “PRIOST” – is the only organization that can provide immediately certificates after one audit, that are recognised in the developed countries of Europe and of the world. That became real owing to the fact that the competence and independence of PRIOST has been confirmed by three accreditation systems in Ukraine and abroad. The Centre of quality systems, “PRIOST-System” provides Ukrainian enterprises with highly qualified consulting services in the improvement of quality systems on the basis of ISO 9000 International standards (2000 version), and on the basis of the TQM and EFQM principles.

International activities of the UAQ

The participation of UAQ in international scientific and technical activities provides opportunities to obtain new information on quality management systems, to exchange of information and views, and to create a mutually beneficial contacts. The long-term participation of UAQ’s specialists in the assessment of applicants for the European Quality Award helps them to meet necessary requirements. In 2002 a Ukrainian specialist who is a representative of the Ukrainian Association for Quality has been recognised as a Senior Assessor for the European Quality Award. The Ukrainian-German project “UNICUM” (the program “Transform”) that was conducted during 2000-2001 has promoted the introduction and spreading of best international experience. Within the framework of this project 12 lecturers were prepared on quality and 25 quality managers and 18 quality auditors received EOQ certificates. Four Ukrainian companies, which have been selected on a competitive basis, were supported by methodological and practical assistance for the improvement of quality management systems according to standard ISO 9000:2000. The specialists of UAQ’s professional organizations actively use the knowledge and experience obtained. The National Quality Award was established in Ukraine in 1996 at the initiative of the Ukrainian Association for Quality (UAQ) and the Ukrainian League of Industrialist and Entrepreneurs (ULIE) with the support of EOQ (European Organization for Quality) and EFQM. The Ukrainian National Quality Award is one of the most effective means for spreading Total Quality Management (TQM) principles and continual improvement in the excellence of companies and organizations in the Ukraine. The Ukrainian Quality Award is based on the EFQM Model included in the register “National Quality Awards of European Countries”. Special, trained assessors come together under the Expert Coordination Centre to the expertise and

assessment of the candidates for the National Quality Award. In the 7th National Award the enterprises-applicants were assessed by more than 100 assessors; four of them are the EFQM assessors with five-years of experience of assessment with the European Quality Award. For the relatively short term of its existence the National Quality Award has become one of the most effective tool for increasing enterprises' quality activity. In the process of working with companies that are applicants for the National Award, the specialists of UAQ conduct the method-based personnel training. It is promoting the development of modern methods of successful business. All the above-mentioned proves that the Quality Award is a very effective stimulus for Ukrainian enterprises for improvement and gives an opportunity for the best of them to apply for the most prestigious award - the European Quality Award. It has to be mentioned, both the popularity of the Award and the number of enterprises – participants are growing each year. The development of a movement for quality and the practical outcomes achieved promote an accelerated perception by State officials of the necessity of radical quality improvement as a basis for an increase in Ukrainian companies' competitiveness as a whole. The President of Ukraine has issued a Decree "About measures on domestic product quality improvement" dated 23 February 2001, which has become a key event in the field of quality. By this Decree he charged the Government to work out a State policy in the field of quality and wide-ranging improvements of quality management systems on the basis of ISO 9000. At the present time, more than 500 Ukrainian enterprises endorse the conformity of their quality systems to ISO 9000. And only for 2001, as many enterprises have been certified as during the 10 previous years. The Ukrainian Association for Quality has been rewarded by the high governmental reward - by Diploma of Honour of Ukraine Cabinet of Ministers with the memorable inscription, "For great achievements in quality public movement, increasing of domestic enterprises product competitiveness, forming a positive international image of Ukraine in the quality sphere".

In cooperation with relevant international organizations the Ukrainian Association for Quality has started a number of new perspective projects for the development of domestic industry and economics on the basis of the quality improvement of Ukrainian organizations. In 2001, on the basis of the Ukrainian Association for Quality, the Personnel Certification Body was established and it was accredited as a National representative of the European Organization for Quality (EOQ). The Personnel Certification Body has the right to issue the EOQ certificate "Quality Manager" and "Quality Auditor" to Ukrainian specialists. Taking into account the positive outcomes of the project "UNICUM", the Ukrainian Association for Quality continues this project. Within the framework of this project it conducts training of managers and auditors on environment management systems.

In cooperation with the Stockholm Economics School, the Ukrainian Association for Quality and the Interbranch Quality Centre “PRIROST” have started in Ukraine a number of pilot projects on Researching a Customer Satisfaction Index. Together with European Foundation for Quality Management (EFQM), the Ukrainian Association for Quality has prepared the introduction of the EFQM Recognition Scheme in Ukraine. An arrangement with EFQM for the Ukrainian Association for Quality to become an EFQM National Partner Organization (NPO) was also reached.

Taking into account the achievements of the Ukrainian Association for Quality in the development of a quality movement in Ukraine, the UN Economic Commission for Europe supported the initiative of the UAQ on dissemination of the best practice among European countries. There are proposals to establish, on the basis of the UAQ, a European Centre for the support of a public quality movement and under the auspices of the UN Economic Commission for Europe.

The paper has been prepared by Mr. Petro Kalyta, President of the Ukrainian Association for Quality, President of the International Guild of Quality Professionals, General Director of the Interbranch Quality Centre ‘PRIROST’.

* * * *