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National Quality Policy for Economic Development

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NATIONAL QUALITY POLICY FOR ECONOMIC DEVELOPMENT

by

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Our dream of poverty alleviation can become true, if we convert our trade deficit into trade surplus, and expand the size of economy manifold in shortest possible time as demonstrated by the newly industrialized countries of South East Asia. At the present level of around US$ 9 billions of exports, US$ 11 billions of imports, and US$ 60-65 billions of GDP and revenue collection of US$ 7 billion, it is impossible to make visible improvement in the quality of life of about 140 million people.

2. The solution to our enormous social and economic problems therefore, lies in enhancing the industrial and export activities manifolds. This is quite possible, provided we improve quality of our goods and services to international standards, and remain cost competitive in the national and international markets.

3. The emerging World Trade Order which is pressing policies of trade liberalization will provide tremendous opportunities of business expansion to enterprises determined to compete and continuously strive for improving quality of products or services, whereas those unable to compete will face threat of losing international as well as local markets. Our future exports will thus depend greatly on our capability to exploit these opportunities.

4. The World Trade Organization (WTO) established in the mid nineties promote competitiveness in trade and lays emphasis on harmonization of “Standardization, testing, calibration, third party certification and accreditation etc.” All these measures are leading to reduce trade barriers and facilitate supply of quality products and services and encourage competition in the world market.

5. Under the WTO rules, the markets will be regulated through the mechanism of laws, technical regulations, standards, and conformity assessment. Such a trade environment will promote the timely delivery of quality and safe products & services in the international market at competitive prices.

6. To penetrate and capture foreign markets, we will have to develop confidence among the importers of those countries in the products or services supplied by our exporters in accordance with the international standards of quality, environment and health. Accreditation is the only way through which our exporters can demonstrate to a client or an end - user in a
distant country that the product or service supplied by them conforms to or complies with the international standards. Unfortunately at present not a single laboratory in the country is accredited to ISO 17025, the international standard for laboratory management. Lack of accredited testing, and calibration facilities in Pakistan are handicaps to our future trade and sooner or later will affect our exports.

7. Therefore, maximum efforts and resources are needed to strengthen, upgrade and prepare our laboratories and other conformity assessment agencies both in government and private sectors to secure accreditation to international standards. As a strategy the government will have to take the responsibility of strengthening and upgrading the Metrology, Standards, Testing and Quality (MST&Q) infrastructure, and to amend or make and enforce the regulations/laws needed in conformity with the international requirements. The private sector will have to focus attention on productivity enhancement, technology upgradation, skill development and innovation to remain competitive as supplier of quality products and services in the local and international markets.

8. Realizing this need and urgency of the issue, the government has established PNAC recently, under the administrative control of Ministry of Science & Technology (MoST), as an apex body to accredit certification agencies, laboratories, inspection agencies, training course providers and personnel in relevant fields and also to promote quality culture in the country. PNAC has already launched accreditation services for QMS/EMS certifiers and laboratories for testing and calibration. Beside, it has started a programme “Crash Awareness Raising and Training Program in the field of Quality”. The main objective of this programme is to create awareness among the producers, policy makers, consumers and other stakeholders about the importance of quality and related issues. Under this programme, it is envisaged to organize/coordinate more than 500 seminars and courses on different topics throughout the country in the coming two years. So far more than 50 seminars / courses have been organized in different cities on different but relevant issues.

9. These seminars and courses are organized in collaboration with the chambers of commerce, industry associations, and other institutions in both public and private sectors. All the stakeholders are invited to collaborate with PNAC and take part in this campaign of mass awareness. With such initiative both public & private sector will hopefully work hand in hand to create a conducive environment for the production, supply and use of quality and safe, products, that will ultimately enhance export, expand our stagnant economy and protect the environment, health & safety of our citizens.

10. Simultaneously a major initiative is being undertaken by PNAC to formulate the National Quality Policy & Plan (NQP&P) that aims at strengthening the national quality infrastructure necessary for accelerated economic growth, export enhancement and ensure supply of safe and quality products at competitive prices. Through NQP&P the Government of Pakistan will focus attention on strengthening and upgradation of quality infrastructure and promotion of quality related programs. Already under the National Council for Science & Technology (NCST) programs, concerned government institutions are being upgraded, and laboratories in R&D organizations and universities are strengthened to fulfill the future requirements of export, protection of environment, health & safety. A National Steering Committee headed by Secretary, S&TR division of MOST and represented by relevant government and private agencies has been established to oversee the formulation of NQP&P. The draft NQP&P is in its final stage of preparation.
11. The National Quality Policy will create an environment in which both public and private sectors can achieve excellence for the benefit of society. This policy is also intended to enhance Pakistan's reputation as a provider of quality products and services in the international market. Efforts will be made to coordinate the activities of NQP&P with all other relevant national policies and plans in order to avoid overlaps and duplication of efforts. The NQP&P will specifically take the following measures to achieve its following stated objectives:

   a) **ESTABLISH A NATIONAL QUALITY COUNCIL**
   Setting up a National Quality Council at the apex level would give all stakeholders a sense of ownership and impart impetus to the quality movement. This council will develop strategies and promote the overall quality programs and campaigns. The Council will be a blend of public and private sectors with authority and responsibility.

   b) **PROMOTING THE USE OF QUALITY PRODUCTS**
   Through the use of technical regulations and Conformity Assessment schemes, the government will promote the use of best quality products and services in accordance with national, regional and international standards. This will also protect our environment as well as health and safety of the consumers.

   c) **GOVERNMENT TO PROMOTE PURCHASES OF QUALITY GOODS & SERVICES**
   The government will promote the purchase of products and services supplied to all public sector organizations in accordance with national or international standards. The government agencies will publicize this policy and specify quality requirements for goods and services like agriculture products, health, banking etc.

   d) **ORGANIZE A SCHEME FOR NATIONAL QUALITY & PRODUCTIVITY AWARD**
   In order to give boost to quality improvement practices and awareness raising, a National Quality and Productivity Awards Scheme will be launched featuring the development of a National Quality Week and culminating in a National Quality Award. The award will be given in various categories on annual basis which will recognize the efforts of the manufacturers and service providers in both public and private sectors.

   e) **REPLACEMENT OF OBSOLETE MACHINERY**
   The government will encourage local entrepreneurs to replace the obsolete machinery and the existing outdated processes by new ones enabling them to compete in the international market, both quality and price wise. A National Technology Development Fund would be set up for this purpose. Efforts will be made to highlight the simplified ways and means to adopt indigenous as well as foreign appropriate technologies to enhance productivity in every sector of the economy.
f) **R&D REQUIREMENTS FOR KEY SECTORS**

Ministry of Science & Technology (MoST) will undertake a number of studies to identify the R & D requirements and shortcomings of industries' and other key sectors of the economy including agriculture and lack of investment in new technology. The priority for these studies will be those sectors which have potential for export.

g) **RE-ORGANIZATION OF R & D INSTITUTIONS**

R&D institutions will be reorganized so as to make them result-oriented. This is only possible if R&D staff pays regular visits to industrial units in order to study the country's requirements and to suggest and devise ways and means for meeting these requirements. Efforts will be made to improve linkages between R&D institutions and the end-users.

h) **DEVELOP THE CONCEPT OF TOTAL QUALITY GOVERNMENT**

Quality movement can only be successful if Govt., starts implementing quality management practices in its ministries and departments. In this regard, all federal ministries, attached departments and autonomous bodies, where possible, will be certified to ISO 9000 Quality Management System. Special reward schemes will be started for those who show excellence in performance. Programs like "Employee of the month" will also be introduced in all the govt., departments.

i) **QUALITY AT SCHOOL / COLLEGE LEVEL**

Quality, as a subject, would be introduced at primary, secondary, higher secondary and college levels throughout the country. To augment this, short courses would also be arranged for the introduction and awareness of Quality for the technical personnel that can directly affect quality awareness amongst the students of the institutions.

j) **LEGAL FRAMEWORK**

The education and awareness raising programs described in the previous chapters will help to raise the awareness on quality issues among consumers. However, this needs to be re-enforced by the establishment of an effective consumers' associations that have the ability to pursue cases or claims against fraudulent manufacturers. The consumer associations must have access to the legal process. The government must provide a legal framework in which the consumer associations can operate and prosper and that protect the rights of consumers.

k) **QUALITY AND CONFORMITY ASSESSMENT**

The activities pertaining to Quality and Conformity Assessment in vogue in various ministries and all public and private sector organizations will be rationalized in accordance with the requirements of international requirements.

l) **REVIEW & VETTING OF TECHNICAL REGULATIONS**

To promote quality, the technical regulations play a key role with respect to consumer protection, health, etc. These regulations would be reviewed, updated and vetted by the relevant ministries including Ministry of Environment, Ministry of Commerce, Ministry of Industries and Ministry of Health. Through
mandatory technical regulations, the government will set requirements, aiming at ensuring health and safety of consumer and environmental protection. These regulations will be revised from time to time as necessary. The government will strengthen the mechanisms for notification procedures for technical regulations.

m) **PROFICIENCY TESTING OF LABORATORIES**

Proficiency testing is an important function of any laboratory and is a requirement of the ISO 17025, the international standard for the laboratories. Program will be initiated to encourage, motivate and support laboratories to take part in proficiency testing on a regular basis.

n) **ACCREDITATION OF CERTIFICATION BODIES**

A large number of certification bodies are operating in the country for certifying local companies and manufacturing units according to the requirements of the international standards. There is a need to keep some check on the activities of these companies and the validity of the certificates issued by them. For this purpose, accreditation of these companies with Pakistan National Accreditation Council (PNAC) would be encouraged. This will ensure quality of service rendered by these companies which will further result in improving the quality of activities of the organizations certified by such bodies.

o) **STRENGTHENING OF PSQCA**

Efforts will be made to strengthen the PSQCA. It should not only provide information on standards but it should be in a position to provide technical expertise (services) for the use and application of standards.

p) **STRENGTHENING OF NPSL**

NPSL facilities will be strengthened and upgraded to ensure its national and international traceability of metrology activities. The calibration facility of NPSL will be supported to facilitate local industry in calibration of their equipment.

q) **UPGRADATION AND STRENGTHENING OF LABORATORIES FACILITIES**

The laboratory facilities in R & D organizations and universities will be upgraded in accordance with the need and requirements of the market. Laboratories will be supported to obtain accreditation to international standard for laboratory management.

12. This NQP&P has been prepared by PNAC, Ministry of Science and Technology (MoST), with the consent and support of all the stakeholders. An estimated expenditure of Rs. 9 billion would be required for implementation of the NQP&P. The plan is being finalized and will be shortly presented to the cabinet for approval.

13. I would request all of you to take part in this exercise of national importance and send your comments and suggestions to PNAC, so that we can incorporate such suggestions in the NQP&P.
AUTHOR’S SYNOPSIS

Abdul Rashid, Director General, Pakistan National Accreditation Council (PNAC), Ministry of Science & Technology (MoST) is a Mechanical Engineer by profession. He worked for 30 years with both public and private sector organizations, foreign government and international agencies in areas of manufacturing, construction, policy making, coordination and promotion of technological development. For the past 14 years he is working at senior positions in the MoST and had been responsible for the formulation of National Technology Policy and implementation of its Plan, establishment of Venture Capital Companies to attract investment in new technology, establishment of Pakistan Technology Board (PTB) to suggest measures for the development and transfer of technology, creation of Technology Development Fund to sponsor risky technologies, establishment of Industrial Cluster Councils to assist SME’s in improving quality and productivity. Because of his efforts, the MoST had been able to establish PNAC, Pakistan Standards and Quality Control Authority (PSQCA) & PTB. He was instrumental in promotion of ISO 9000/14000 certifications through awareness raising, manpower training and incentive package which contributed significantly towards improvement in the quality of goods and services necessary for export. He represented MoST on a number of Committees and important national and international forums. He prepared papers and reports on different subjects including energy, industry, environment, MSTQ, restructuring of R & D organizations, investment and transfer of technologies. Presently he is responsible to operationalize PNAC and formulate National Quality Policy & Plan.