Building Trust for Trade

The National Quality Infrastructure Project for Nigeria

This project is funded by the European Union
NATIONAL QUALITY INFRASTRUCTURE PROJECT FOR NIGERIA (NQIP)

*Improvement of safety, integrity and marketability of goods and services*

The concept

Nigeria lacks an internationally recognized National Quality Infrastructure (NQI) with the capacity to ensure safety, integrity and marketability of goods and services, and the removal of technical barriers to local, regional and international trade.

With financial support of €12 million from the European Union (EU), UNIDO assists the Federal Government of Nigeria (FGN) in implementing its strategic framework, vision 20:2020 and transformation agenda, with the aim of developing policies and measures to improve competitiveness and diversification in the non-oil-related sectors of the economy. The project aims to strengthen the capacity of trade support institutions, improve business and investment climates, enhance consumer protection, and facilitate domestic and international trade. This will contribute to job creation and poverty alleviation.

The Nigerian Federal Ministry of Industry, Trade and Investments (FMITI) and its dependant, Standard Organization of Nigeria (SON), are at the centre of this initiative, which is technically supported by UNIDO as the implementing agency, and financed by the European Union.
The objectives

The National Quality Infrastructure Project for Nigeria (NQIP) (2013-2017) aims to support the improvement and establishment of missing standards and quality control bodies, which are needed to improve the quality of products and services exchanged in its domestic market, as well as internationally. The project will contribute to building trust and boosting competitiveness in the private sector, ensuring the protection of its consumers.

The project paves the way to solve the current NQI’s limitations by analyzing demand and supply hindrances of NQI services. Further, the project aims to develop a functional and internationally recognized National Accreditation Body (NAB) and National Metrology Institute (NMI), within the context of an updated National Quality Policy. To connect targeted actors to an improved quality infrastructure, the project seeks to increase awareness and knowledge of technical regulations issues by associating and creating linkages for the Organized Private Sector (OPS) in the NQI.
Quality Policy

A National Quality Policy must be promulgated to ensure legislation for the Quality Infrastructure improvement

- Support the publication of a “Green Paper”
- Assess the technical regulation regime and improve capacity of institutions in charge of regulation and notification according to best practices and WTO requirements
- Develop a Roadmap for improving the SPS infrastructure
- Support the implementation of the Food Safety Policy

Accreditation

An internationally recognized National Accreditation Body (NAB) must be established in coherence with the West African accreditation system

- Establish a NAB with institutional governance, QMS, sustainability plan, personnel and resources
- Support accreditation of Conformity Assessment bodies as a pilot case by the NAB
- Promote the NAB at national level and ensure recognition at regional and international level
- Develop a national proficiency testing scheme and implement it in cooperation with regional and international partners
Metrology

A National Metrology Institute (NMI) must be developed to ensure calibration of instruments and traceability of measurement to international standards

- Establish a NMI with institutional governance, QMS, sustainability plan, personnel and resources
- Create a repair and maintenance shop as business unit in the NMI, able to provide services to calibration laboratories
- Ensure recognition of the NMI in the region and at the international level
- Assist calibration laboratories to obtain accreditation for priority fields

Conformity Assessment

The capacity of the Organised Private Sector (OPS) must be improved to create and support Conformity Assessment Bodies (CABs)

- Establish certification bodies for certification of management systems and for certification of persons according to international standards
- Develop a pool of auditors available for the certification of management systems and of persons
- Pilot certification audits for certification of management systems, in companies willing to cooperate with the certification body

Quality Promotion

The capacity of Consumer Protection Council (CPC) and other consumer associations must be improved to raise awareness and promote quality for better consumer protection

- Set up training units for the application of international standards for management systems
- Organize nationwide promotional campaigns and awareness activities on quality
- Establish the Nigerian Quality Award in compliance with the ECOWAS scheme
Rationale

Trade has been recognized as a major engine of economic growth for developing countries and a potential contributor to poverty alleviation.

A number of duty free and quota-free initiatives have been launched over the years to support developing countries to better access markets. Still, many developing countries do not yet enjoy equitable participation in national and global trade due to challenges in developing a competitive supply capacity and establishing an adequate quality infrastructure to prove compliance with market requirements, especially standards and technical regulations.

Currently, the major part of revenue in Nigeria is coming from oil export. Nigeria’s development strategy has identified industrialization, trade and investment as major vehicles to enhance non-oil-related domestic production, to create jobs and to reduce poverty. With carefully developed backward and forward linkages, industrialization has the potential to diversify the Nigerian economy and reduce exposure to external shocks.

In order to successfully implement its development strategy, the Federal Government of Nigeria must address the specific challenges related to its quality infrastructure:

- The difficulty for the private sector to compete in a market flooded with cheap, low-quality products;
- The need to amend current laws and promote new ones that serve the private sector and provide them with modern, fit-for-purpose and internationally recognized quality services;
- The need to strengthen the technical regulation regime and to enforce quality control of local and imported products;
- The need to enhance the market value of products made in Nigeria for regional and international markets.

The proposed project is expected to address these challenges by strengthening the national quality infrastructure so that the country’s proof of such compliance is accepted regionally and internationally. Proving conformity with standards and technical regulations requires establishing efficient testing, certification and accreditation mechanisms that conform to the requirements of the Sanitary and Phyto-Sanitary (SPS) measures and Technical Barriers to Trade (TBT) agreements, and enjoy international recognition.

In this way, the NQIP will contribute to the development of an enabling business environment that will allow enterprises to produce non-oil-related products that meet market requirements, boosting market access and enhancing consumer protection.

UNIDO has extensive and widely tested experience helping developing countries and economies in transition to overcome shortcomings in their standards and conformity infrastructure.

What are the TBT and SPS Agreements?

Technical Barriers to Trade (TBT) are regulations, standards, testing and certification procedures, which could obstruct trade. The agreement on TBT aims to ensure that these do not create unnecessary obstacles and defines the preparation, adoption, application and assessment of conformity with technical regulations and standards needed for traded products (industrial and agricultural). It covers aspects related to product quality, nutritional content, labeling and methods of analysis not directly covered by the SPS agreement. It also includes measures aimed to protect consumers.

Sanitary and Phyto-Sanitary (SPS) measures are measures dealing with food safety and animal and plant health. The agreement on SPS measures permits importing countries to take scientifically based measures to protect the life and health of their citizens, animals and plants, as long as these do not impede on trade. These measures should be based on international standards, regulations or recommendations where they exist. Countries must recognize different but equivalent measures adopted by others and must rapidly make public all SPS measures envisaged.
Quality Infrastructure for Environmental Sustainability

The NQI is a fundamental national asset to achieve a sound environmental policy. Such a policy implies technical regulations (TRs) for product life cycle, installations and industrial procedures. Most of these TRs rely on the reference to voluntary consensual standards as a means to technically define the requirements expressed in the regulations.

Moreover, the application and enforcement of those TRs depend on the ability and impartiality of the conformity assessment bodies to “demonstrate that the specified requirements relating to a product, process, system, person or body are fulfilled”. All these systems make up the NQI.

Promoting Gender Equality

Compared to men, women face significant constraints in economic activities, ranging from lower wages to poor access to productive resources, technology and marketing channels. In the agricultural sector for instance, their role has been largely restricted to subsistence food crops production with low potential for generating higher incomes.

In line with UNIDO’s original contribution toward the achievement of the third Millennium Development Goal, and in cognizance of Nigeria’s commitment to tackling gender inequalities, the NQI project will ensure a specific focus on women empowerment by selecting intervention sectors with the highest gender impact rate.

Definitions

Standards are formal documents containing a set of requirements with which products, processes and services should comply.

Metrology is an underlying factor for quality in the industrialized world. Metrology is defined as the measurement for the determination of conformance to technical requirements including the development of standards and systems for absolute and relative measurement.

Accreditation is the evaluation of conformity assessment services against recognized standards to ensure their impartiality and competence.

Conformity assessment is a demonstration that specified requirements relating to a product, process, system, person, or body are fulfilled.

Testing is the determination of a product’s characteristics against the requirements of the standard.

Certification formally establishes, after evaluation, testing, inspection or assessment, that a product, service, organization or individual meets the requirements of a standard.

Calibration is essentially the comparison, under specified conditions, with a higher standard, which is traceable to a national or international standard, or an acceptable alternative.

Inspection is the examination of a product design, product, process or installation and the determination of its conformity with specific requirements or, on the basis of professional judgment, with general requirements.

Traceability is the ability to chronologically interrelate the history, application or location of an entity by means of recorded identifications.
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