

GLOBAL PRACTICES PROFILE

National Quality Infrastructure: Vital Link to Global Trade & Investment Competitiveness

National Quality Infrastructure (NQI) reforms are an important part of broader efforts aimed at enhancing trade and investment opportunities, opening markets for new innovative products, and improving the business environment. As demand to access new markets and compete with higher quality products rises, the World Bank Group is committed to supporting government's efforts to build a more harmonized and integrated NQI.

Context

Governments seeking to stimulate private sector productivity and boost innovation must understand the importance of having a modern NQI, which serves the needs of businesses and consumers. A well-functioning NQI could reduce the costs of trade and doing business, enhance technology transfer, and increase investments. Additionally, in order to integrate into global value chains, firms shall be able to offer a certain level of their products' quality confirmed through relevant standards, a common "technical language" needed to establish trust between business partners.

NQI denotes the complete ecosystem of public and private institutions as well as the legal and regulatory framework required to establish and implement standardization, accreditation, metrology, conformity assessment (primarily testing and certification), and market surveillance. This quality infrastructure enhances competitiveness by offering proof that products and services adhere to mandatory technical regulations and industry accepted standards.

Standards define how products, processes, and people interact with each other and their environments by assessing their features and performance. When used effectively, they facilitate trade and investments, and contribute to technology upgrading and

absorption. As countries strive to reduce technical barriers to trade, they need to harmonize various quality requirements in order to benefit fully from trade opportunities. Higher quality standards in more advanced economies could be a good incentive for transition and developing economies to work on upgrading the quality of their outputs to enable access to such advanced markets. Equally importantly, these standards have become a key determinant for cross-border investment decisions.

What We Offer

We help governments develop modern, transparent, and efficient NQI systems that enable domestic producers to access new markets and participate in global value chains as well as to enhance their competitiveness. We help our clients identify key gaps in their NQI framework through market assessments, which analyze the existing and potential demand for NQI related services and suggest reform recommendations to meet such demand. We also provide implementation support for reforms that are based on international best practices while also ensuring that such reforms are tailored to meet the specific country conditions.

The support covers: (i) Economy Wide Reforms, (ii) Sector Specific Reforms, and (iii) Knowledge Sharing.

i. Economy Wide Reforms

- Diagnose and assess current NQI system (institutional framework, legal framework, infrastructure and capacity to perform needed services)
- Design/enhance new and existing legislation in line with international best practices
- Eliminate excessive and unnecessary technical regulations
- Ensure that NQI institutions are competent, impartial, and credible
- Increase client countries' capacity and involvement in the development and implementation of international and regional standards
- Apply modern ICT solutions to increase efficiency of NQI services
- Foster mutual recognition of accreditation

ii. Sector Specific Reforms

- Assess priority sectors/products and priority markets
- Define the role(s) of the market participants in certain sectors and ensure their capacity to provide NQI related services
- Streamline and harmonize sector specific technical regulations and standards

iii. Knowledge Sharing

- Promote good practices of openness, transparency, impartiality, effectiveness, and relevance
- Stimulate demand from the private sector to adhere to quality standards
- Conduct peer to peer learning events, trainings and workshops
- Foster twining arrangement with regional and international counterparts

Coming Soon!

- NQI Diagnostic Tools
- Analytics/Case Studies
- NQI Reform Toolkit
- Quality Policy Framework
- NQI Benchmarking
- Results Measurement Framework
- Trainings/Workshops

For Further Information

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Our Work in Action

The **Kyrgyz Republic** embarked on an ambitious plan of reforming and modernizing its NQI to reap the benefits of WTO accession and integration. Working with the World Bank Group, the Kyrgyz government tackled complex regulatory, institutional and infrastructure challenges that helped reduce technical barriers to trade. With the support of the Bank, the country significantly improved its capacity to deliver higher quality NQI services by reducing burdensome regulatory practices, modernizing domestic metrology and testing laboratories, and harmonizing its national standards system with international standards.

Peru has made important advances in fostering a better export-oriented market. In partnership with the World Bank Group, the country has reformed its NQI, resulting in a four-fold increase in total exports, doubling of non-traditional exports, and a 50 percent increase in the number of exporting SMEs.

In the **Jilin Province of China**, the World Bank Group has helped provincial and municipal government entities upgrade procedures, laboratory equipment and the quality of staff in order to facilitate entry into high value agricultural product chains. The project, although still ongoing, has already resulted in the accreditation of multiple laboratories, the implementation of new quality standards, peer-to-peer knowledge sharing, and an improved overall NQI system that sets a new precedence of quality and safety.

Relevant Publications

- Harnessing Quality for Global Competitiveness in Eastern Europe and Central Asia
- The National Quality Infrastructure: Tool for Competitiveness, Trade, and Social Well-Being
- The National Quality Infrastructure Policy Brief

Our Partners

- United Nation Industrial Development Organization
- International Organization for Standardization
- National Metrology Institute of Germany
- Regulatory Delivery Directorate, the United Kingdom