

National Quality Policy for Palestine



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Further Information

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Contents

Foreword	4
Acronyms and abbreviations	5
1 Introduction.....	6
2 Vision.....	11
3 Objectives of the Quality Policy.....	12
4 The future National Quality Infrastructure	12
5 Education and training	19
6 Information Network.....	19
7 Other stakeholders.....	20
8 International liaison	22
9 Financing the NQI.....	22
10 Legal framework	23
11 Implementation	24
12 Definitions	25
Annex: High Level Implementation Plan	26

Foreword by the Minister of National Economy

Economic prosperity is one of the key elements of the Government policies, which ultimately leads to social development. Efforts are currently being exerted on the national level to revive economic activities that will ultimately improve the quality of life. The Government accords high priority to the development of economy by maximizing exports.

In the present age of globalization, market access requires compliance to international requirements through the adoption of an internationally recognized system. This entails the development and promotion of an internationally recognized quality infrastructure that is conducive to the production of competitive, safe, reliable and cost-effective goods and services. This is a key prerequisite for enhancing the industry's competitiveness and export market share in tradable goods and services.

In order to formulate a National Quality Policy that complies with relevant international requirements, the Ministry of National Economy established a taskforce drawn from the relevant private sector institutions chaired by the Ministry itself and supervised by experts from PTB with the support of by BMZ, Germany. The policy document is meant to redirect all quality and productivity initiatives in Palestine.

This efficient National Quality Policy will support and strengthen our ability to improve the quality of goods and services. Besides, it will increase competitiveness of goods and services, promote sustainable development by enhancing innovation and the transfer of technology. This will thereby enhance the our firms' capability to effectively engage in trade on the national, regional and international levels and make a direct contribution to achieving economic growth.

Such a policy framework will help us compete in the new and emerging world trade order by developing a strong and effective regulatory mechanism. Such a mechanism will be developed through accredited laboratories, certification bodies and inspection as well as metrology agencies in order to control the use of sub-standard products and services in the market, which is an essential purpose.

I would like express my deep appreciation for the efforts exerted by the PTB and the National Taskforce as well as for the support offered by the BMZ. I am confident that the implementation of this policy will lead to achieving accelerated social and economic development on the national level.

Dr. Jawad Naji

Minister of National Economy

Acronyms and abbreviations

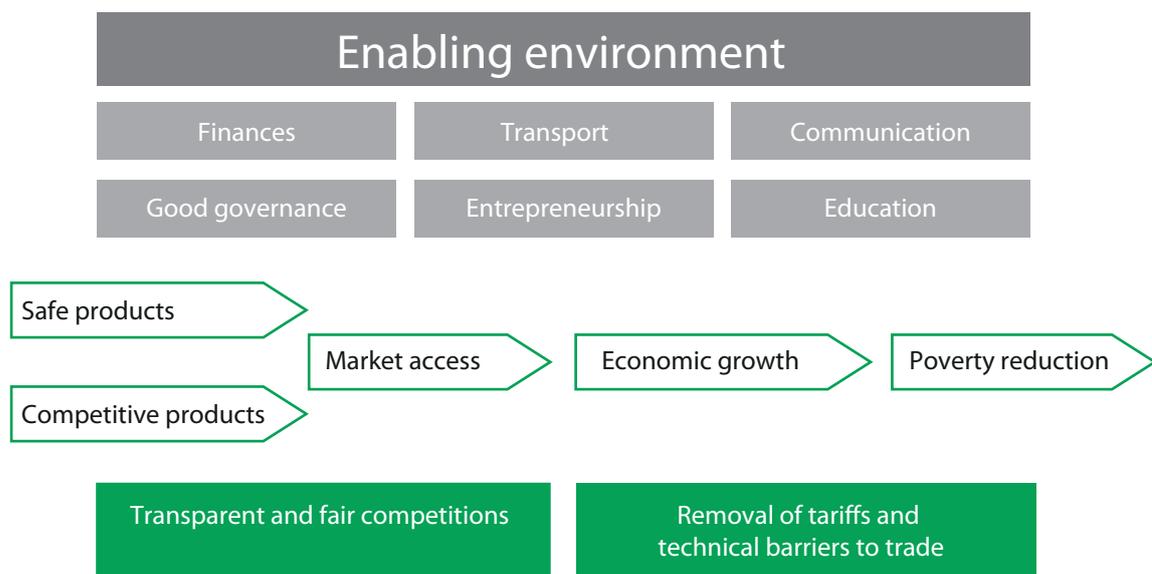
ARAC	Arab Regional Accreditation Cooperation
BIPM	Bureau International des Poids et Mesures
CAC	Codex Alimentarius Commission
CMC	Calibration and Measurement Capability
EU	European Union
GDP	Gross Domestic Product
IAF	International Accreditation Forum
IEC	International Electrotechnical Commission
ILAC	International Laboratory Accreditation Cooperation
IPPC	International Plant Protection Convention
ISO	International Organization for Standardization
ITU	International Telecommunication Union
KCDB	Key Comparison Data Base
MRA	Multilateral Recognition Agreement
NGO	Non-governmental Organization
NQI	National Quality Infrastructure
OIC	Organization of the Islamic Conference
OIE	World Organization for Animal Health
OIML	Organisation Internationale de Métrologie Légale
PALTRADE	Palestine Trade Centre
PAS	Palestinian Accreditation Service
PEIC	Palestinian Export and Import Council
PSI	Palestinian Standards Institution
SI	International System of Units
SME	Small and Medium Enterprise
SMIIC	Standards and Metrology Institute for Islamic Countries
SPS	Sanitary and Phyto-sanitary
TBT	Technical Barriers to Trade
WTO	World Trade Organization

1 Introduction

1.1 International context

1. It is generally recognized that enhanced trade leads to economic growth, the impact of which ultimately is poverty reduction. One important factor essential for trade is a supply side that gains market access through competitive and safe products. There are many other factors that also play a role such as infrastructure, finances, good governance, macro-economic and social policies, education, health and many more. Some of these are indicated in Figure 1.
2. The volume of exports of merchandise at the international level has been rising steadily over the past decade. Even the dip in volumes during the economic crisis of 2008/2009 has been overcome and volumes in 2012 have nearly regained the previous growth trajectory. Palestine trade needs to become part of this global trend if it wishes to develop as its internal market is far too small to be the driver for economic growth. This was also well articulated in the *National Development Plan 2011-2013* and the *National Export Strategy*.

Figure 1: Competitive and safe products, trade, economic growth and poverty reduction



3. Increasingly global purchasers demand products that meet rigorous and advanced standards of quality in order to integrate flawlessly into their global supply chains and to satisfy customer expectations, i.e. products have to be competitive. And not only do the global purchaser's demands have to be met, the same applies even more to the safety and health requirements in the form of technical regulations that the national authorities place on products imported into their territory or produced locally – see Figure 1.
4. Palestine's industry, especially the SME sector, faces formidable challenges at the technical and quality level over and above dealing with other, often unique, situations. Hence, in order to devel-

op and produce products that are competitive and meet technical regulations in the international markets, the industrial sector needs the services of an internationally recognized national quality infrastructure that can provide the required independent evidence of compliance to foreign quality and technical requirements. The same quality infrastructure also needs to support industry in developing these products.

5. What is good for the international markets also holds true for the internal market in Palestine. Purchasers should have access to safe products and should not be at the mercy of unscrupulous merchants that dump low quality products as a deceptive practice on the market. The Palestinian Authority therefore rightfully imposes technical regulations to deal with such market failures. Effective technical regulation implementation however, also requires the services of a technically competent quality infrastructure.
6. The Palestinian Authority realizes that its national quality infrastructure and its technical regulation regime may not yet be at the level where it meets international requirements, good practices or the demands of trading partners. Hence, the Palestinian Authority is committed to re-engineer, strengthen, upgrade and maintain the national regulatory, standards, metrology, accreditation and conformity assessment infrastructure to facilitate trade, accelerate economic development and reduce poverty whilst at the same time protect the safety and health of its peoples and the environment.

1.2 Palestinian economy as it relates to the Quality Policy

1.2.1 Political context

7. The evolution of the economy of Palestine has been largely determined by the occupation policies introduced by Israel in 1967. These policies weakened the commercial and economic links within Palestine as well as between Palestine and the rest of the world, and resulted in economic dependence on Israel as a destination for exports, a source of imports and an outlet for excess labour.
8. Following the establishment of the Palestinian Authority and the signing of the Israeli-Palestinian peace accords, the Palestinian economy's development path has been mainly shaped by the 1994 Protocol on Economic Relations (also known as the Paris Protocol) between Israel and the Palestine Liberation Organization, representing the Palestinian people. As stipulated by the Protocol, the Israeli-Palestinian economic relationship takes the form of a quasi "customs union", but it also has features of an economic union, whereby the two economies use the same currency. It also means however, that Israel controls the movement of goods and labour across the Israel/Palestine divide.
9. The Palestinian Authority has signed preferential trade agreements with Arab countries, the United States, Canada, Turkey and the European Union, but the Israeli closure policy impedes many of their potential benefits.

1.2.2 Economic performance

10. The period 1994-1999 witnessed significant improvements in the Palestinian economy's performance. However, these improvements were brought to an end with the outbreak of the second popular uprising, or intifada, in September 2000, and in response, the tightening of the Israeli closure policy in Palestine and the construction of the Separation Barrier in the West Bank.

11. Palestine GDP Annual Growth Rate averaged 4,5% from 2001 until 2013, reaching an all-time high of 26,0% in September of 2003 and a record low of -21,6% in December of 2006. But, the Palestinian economy's performance indicators reflect multiple challenges, including:
 - a) Daunting fiscal problems with a shrinking tax base and limited tax collection capacity, and growing pressure on the Palestinian Authority to act as an employer of last resort in an economy with limited employment abilities;
 - b) With extraordinarily high trade dependence on Israel, export performance has been weak while imports have been large and unpredictable;
 - c) Unhealthy trade deficit which has grown to nearly two-thirds of the GDP; and
 - d) Unbalanced economic structure: While the services sector, including the public sector, accounts for more than 60% of GDP, the industrial, agricultural and construction sectors' contributions are in the range of 16%, 10% and 5% respectively.
12. From 2012 through 2013, Palestine Industrial Production averaged a 7,2% growth reaching an all-time high of 18,3% growth in August of 2013 and a record low of -6,9% in March of 2012.
13. Palestine remains heavily dependent on foreign aid to support the government's budget and fund infrastructure development. The International Monetary Fund cautioned that economic growth in the West Bank and Gaza was likely to fall to 6,2% in 2013 from 9,9% in 2012, with unemployment expected to remain above 20%.

1.2.3 Palestinian Exports

14. Palestine Exports averaged USD 39,08 million per month from 2001 until 2013, reaching an all-time high of USD 74,20 million in April of 2013 and a record low of USD 15,92 million in April of 2002. Palestine mainly exports cement, base metals, iron and steel, food and beverages, furniture, plastics and dairy products. Palestine's main export partner is Israel (over 80% of total exports). Other export partners include Jordan, the United Arab Emirates, Algeria, Egypt, Saudi Arabia, the Netherlands, Germany, and Canada.

1.3 Defining the National Quality Infrastructure (NQI)

15. The Quality Infrastructure can be defined as the totality of the institutional framework (public and/or private) required to establish and implement standardization, metrology (scientific, industrial and legal), accreditation and conformity assessment services (inspection, testing and certification) necessary to provide acceptable evidence that products and services meet defined criteria, be they demanded by regulatory authorities (i.e. technical regulations) or the market place (i.e. contractually or inferred).
16. The elements or services of the Quality Infrastructure are shown graphically in Figure 2. These can be provided by any number of institutions provided international good practices on conflicts of interest are observed. Failure to provide any one or a combination of these elements of the Quality Infrastructure in an effective and efficient way will have a negative effect on trade.

Figure 2: Elements or services of a quality infrastructure

Metrology	<p>Metrology is the technology or science of measurement and the service is required to ensure internationally recognized traceability of measurements and calibration of measuring instruments. Metrology can be subdivided into:</p> <ul style="list-style-type: none">o Scientific metrologyo Legal metrologyo Industrial metrology
Standards & technical regulation	<p>Standards are a formal document developed and published by a recognized body, generally by consensus, containing the requirements that a product, process or service should comply with. Standards can be the basis of technical regulation, contractual obligations or market expectations. Standards are developed on a number of levels, namely</p> <ul style="list-style-type: none">o International standardso Regional standardso National standardso Private standards <p>Technical regulations are developed and implemented by the government. Whereas technical regulations contain requirements similar to standards, they also include administrative provisions for their implementation. Compliance with standards is voluntary, compliance with technical regulations is mandatory.</p>
Accreditation	<p>Accreditation, including peer assessment, is the activity providing independent attestation as to the competency of individuals or organizations providing conformity assessment services, thereby facilitating international recognition of claims of conformity.</p>
Conformity assessment	<p>Conformity assessment is the collective term for services necessary to provide evidence that a supplier, product or service meets requirements such as provided for in a standard or technical regulation. The following are generally considered to be conformity assessment services:</p> <ul style="list-style-type: none">o Inspectiono Testingo System certificationo Product certification

1.4 Technical regulation

17. Technical regulations are clearly defined in the WTO TBT Agreement and all WTO member states have to comply with these provisions. Technical regulations contain technical requirements for the relevant product as well as the administrative provisions for their implementation, which is mandatory by law. The technical requirements should be based on international standards. The administrative provisions include the conformity assessment regime to be followed, identify the regulatory Government and its responsibilities and provide for sanctions that have to be applied in the case of non-conforming products. The elements are shown graphically in Figure 3.

Figure 3: Building blocks of a Technical Regulation

Technical requirements	<p>The technical requirements provide the measures that a product has to comply with.</p> <p>They can be defined in one of the following ways:</p> <ul style="list-style-type: none"> o Contained in the text of the technical regulation o Reference to a specified standard o List of “Deem to satisfy” standards
Administrative provisions	
Conformity assessment	<p>Conformity assessment provides the evidence that a supplier, product or service meets the technical requirements. Conformity assessment services are provided by designated and technically competent organizations and include:</p> <ul style="list-style-type: none"> o Inspection o Testing o System certification o Product certification
Regulatory authority	<p>The regulatory authority is charged with the responsibility to ensure that supplier comply with the technical regulation. In general the regulatory authority has to oversee:</p> <ul style="list-style-type: none"> o Pre-market product approval (when necessary) o Market surveillance o Imposition of sanctions
Sanctions	<p>Sanctions are imposed on suppliers that fail to comply with technical regulation requirements. Sanctions are applied on two levels:</p> <ul style="list-style-type: none"> o Administrative sanctions imposed by the regulatory authority o Punitive sanctions imposed by the courts

1.5 Palestinian policy environment

18. The National Quality Policy does not exist on its own. It coordinates the quality, standardization and conformity assessment issues listed in other policies dealing for example with exports, industrial development, science and technology, health and safety and food security.
19. The ***National Development Plan 2011-2013, Establishing the State, Building our Future*** set high goals for the political, governance, and socio-economic development of Palestine. Establishing a vibrant private sector that can take advantage of the international trade developments and in this way enhance exports from Palestine were central themes of this National Development Plan. The follow-up ***National Development Plan 2014-2016*** is even stronger in this respect. An effective and efficient Quality Infrastructure is a pre-requisite to achieve this goal.
20. The ***State of Palestine National Export Strategy 2014-2018*** contains a fairly comprehensive analysis of the state of the Quality Infrastructure of Palestine. Its conclusion is that the effectiveness and efficiency of quality management is currently restricted due to a host of constraints at both institutional (supply side) and enterprise (demand side) levels. These wide-ranging constraints have resulted in restricted access to international markets for Palestinian exporters.
21. The overall mandate for the Ministry of National Economy is that it will contribute to the wellbeing of the Palestinian people by creating a framework for private enterprise development that will support and contribute to the creation of wealth and thereby expand national welfare. In support of this, the Ministry, as the Palestinian entity responsible for leadership on economic policy, leads the inter-Ministerial cooperation on all aspects of economic analysis and research through a formal structure for collaboration amongst all Ministries having an economic role. In the last couple of years issues that were addressed included export encouragement, support for local products, consumer protection, encouraging investments, enabling the business environment, trade facilitation, regulating the local market, intellectual property and the consideration of international trade regimes. The Ministry also maintains appropriate consultation and partnership on economic policy issues with the private sector. The commencement of economic public private dialogue conferences is one of those tools.

2 Vision

22. The overall objective of the National Quality Policy is to improve the international competitiveness of the country leading to enhanced export performance, whilst at the same time ensuring that Palestinian consumers and its environment are suitably protected against shoddy and unsafe products. The ultimate result would be the raising of quality of life of the people.
23. The Vision for the Palestinian National Quality Policy is therefore:
To establish and maintain an effective and efficient Quality Infrastructure that is internationally recognized.

3 Objectives of the Quality Policy

24. The primary objective of the Quality Policy is to ensure that goods and services emanating from or traded in Palestine are readily accepted in the national and international markets. This means that they have to be designed, manufactured and supplied in a manner that fully matches or exceeds the needs, expectations and requirements of the retailers, purchasers and consumers as well as those of the regulatory authorities.
25. The following are secondary objectives supportive of the primary objective, namely:
 - a) The design and establishment of a metrology, standardization, accreditation, inspection, testing and certification infrastructure that fully meets the needs of the country.
 - b) To support the application of the techniques, practices and service provision of the NQI to demonstrably comply with international standards throughout.
 - c) To establish a common and effective national approach to technical regulation in Palestine to safeguard the people, fauna and flora and the environment – including its related legislation – that meets international requirements such as the WTO TBT and SPS Agreements and international good practices.
 - d) The establishment of effective cooperation amongst the NQI institutions and the national regulatory authorities, and with their international and trading partner counterparts.
 - e) The development of the human resources necessary to support the various metrology, standardization, accreditation, conformity assessment and technical regulation programmes.
 - f) To raise the quality consciousness amongst both the suppliers and the consumers, i.e. an undertaking to introduce and maintain a quality culture in public life and throughout society.

4 The future National Quality Infrastructure

4.1 Overall commitment of Palestinian Authority

26. The Palestinian Authority through its various institutions has the overall responsibility for enabling, coordinating and educational role in the implementation of this Quality Policy. The Palestinian Authority not only outlines the visions, but is also committed to establish and maintain the fundamentals of the NQI, namely metrology, standards and accreditation as “good for country” services. In this regard, the Palestinian Authority is committed to carry out the necessary restructuring and developing of the public NQI institutions in line with international good practices and with Palestinian needs and realities in mind.
27. Whilst fulfilling its overall responsibilities, the Palestinian Authority will ensure that the necessary policy and business environment prevails for the full participation of all economic actors in playing a meaningful role in the fundamentals of the NQI and especially in providing technically competent calibration and conformity assessment services to the market and also to the regulatory authorities. The Palestinian Authority will actively pursue effective coordination of all such services for the good of the country where necessary.

28. The Palestinian Authority will review, revise or re-affirm all current legislation that establishes and defines the responsibilities of the NQI. Where such legislation does not yet exist, the Palestinian Authority will develop and promulgate such legislation. The same applies to legislation that details technical regulation development and implementation to ensure its proper inclusion of, and seamless coordination with, the NQI of Palestine.
29. To create a quality culture in Palestine, the Palestinian Authority will promote quality awareness campaigns, provide for an integrated approach to quality management in the public sector and promote and support the creation of mechanisms that contribute to awareness raising and knowledge dissemination regarding quality to all segments of the society.

4.2 The overall NQI structure

30. The Palestine Standards Institution (PSI) will be re-organized such that it will provide standards development, publication and information together with conformity assessment services. This construct does not constitute a conflict of interest and hence is in principle acceptable at the international level and is very similar to the situation in the majority of the countries in the world. The Ministry of National Economy will remain the line Ministry of PSI.
31. The accreditation activities of PSI will be separated and established as an independent organization with the Ministry of National Economy as its line Ministry, thereby dealing decisively with the conflict of interest in the current PSI organizational structure that precludes international recognition of the accreditation service.
32. The metrology activities of PSI, i.e. the Metrology Directorate, will for the time being remain within the organizational structure of PSI. It will however, be operated as a separate institute in order to foster rapid development and capacity building. In time to come the Palestinian Authority may consider establishing the Metrology Directorate as an independent institute, i.e. once it has reached a meaningful size or its independence is required in terms of international recognition.
33. Testing and certification services would be provided by laboratories and certification bodies from the private sector, the public sector (including PSI) or academic institutions, thereby providing customers a choice of service providers as long as they are accredited. This would also hasten the establishment of laboratories in the private sector.

4.3 Metrology

34. The Metrology Directorate in PSI – as the National Metrology Institute of Palestine – will represent the country in regional and international metrology organizations and will ensure traceability to the International System of Units, SI. It will have the following operational responsibilities, namely: (i) the maintenance of the national measurement standards, (ii) the support of a national calibration service throughout the country encompassing a number of independent calibration laboratories, and (iii) managing the legal metrology system of Palestine.

4.3.1 National Measurement Standards

35. To increase the awareness of metrology and to establish a common metrological framework, the Palestinian Authority will further upgrade the national measurement standards of the National Metrology Directorate established within the Palestinian Standards Institution (PSI) in line with the prioritized needs of the country.
36. In addition, when necessary or expedient, the Palestinian Authority will expand the metrology system by entering into a formal partnership with other national institutes that are technically competent in specialized scientific fields of measurements (e.g. chemistry, radiation, virology, etc.) to be appointed as Designated Institutes so as to maintain national measurement standards capable of providing a reliable and accurate measurement service across all relevant disciplines within Palestine.
37. The process of establishing Designated Institutes is subject to a formal agreement between the Ministry of National Economy, PSI and the relevant institute. In order to ensure appropriate coordination amongst the metrology institutions, no institution purporting to be a Designated Institute may be established without such agreement. In line with BIPM good practices, the National Metrology Directorate has the overall responsibility to ensure that itself and all Designated Institutes implement and maintain quality management systems that comply with the relevant CIPM MRA requirements.
38. The National Metrology Directorate and all Designated Institutes will, mindful of the demonstrated needs of trade and industry sectors and the authorities and within their capabilities, link up with the international metrology system. This linkage will be demonstrated through entries of their Calibration and Measurement Capabilities (CMCs) in the recognition system (i.e. Key Comparison Data Base – KCDB) administrated by the Bureau International des Poids et Mesures (BIPM).

4.3.2 National calibration service

39. The National Metrology Directorate will actively support the development of a nation-wide calibration service to diffuse the national measurement standards into industry, authorities and society in order to ensure that all measurements emanating from Palestine are acceptable in trade and law enforcement. Such support may include technical backing, training and advice to obtain accreditation.
40. Calibration services can be provided by the National Metrology Directorate and other public or private calibration laboratories, provided that their calibration equipment is traceably calibrated to the national measurement standards kept by the National Metrology Directorate, Designated Institutes or another national metrology laboratory abroad with known and recognized measurement capability. In addition, all calibration laboratories should be appropriately accredited against the relevant international standards.

4.3.3 Legal Metrology

41. In order to ensure the equitable utilization of measurements not only in trade, but also in law enforcement, health services and environmental management, the Palestinian Authority will upgrade the weights and measures activities of PSI to a fully-fledged legal metrology activity.

42. Legal metrology will ensure that measuring equipment used in trade, law enforcement, health services and in protection of the environment are appropriately type approved, verified on placement into service and thereafter regularly calibrated and verified to ensure an equitable situation regarding the traders and consumers, and correctness of measurements in law enforcement, health services and environmental protection. Legal metrology will establish national requirements for pre-packed goods and will ensure that suppliers comply with these.
43. Legal metrology is responsible to ensure that all national legal metrology requirements will be based on international standards such as the Recommendations of the Organisation Internationale de Métrologie Légale (OIML) as far as possible.

4.4 Standards

44. The Palestinian Authority will see to it that the standards development process is a voluntary activity that depends on achieving consensus amongst stakeholders, and which is implemented by or on behalf of the Palestinian Standards Institution (PSI) within a participatory and transparent environment.
45. The Palestinian Authority will encourage the adoption of relevant international and regional standards as national standards with a minimum of deviations, and based on demonstrated needs of the authorities, industry and the society. PSI will provide the framework required to develop and publish national standards and other normative documents on a national level taking full cognizance of these demonstrated national needs.
46. Whereas PSI has the responsibility to publish all national standards, it may develop such standards within its own technical committee structures, or register Standards Development Organizations to do so. PSI or any Standards Development Organization it registers will comply with inter-national good practices and requirements as defined in the WTO TBT Agreement and ISO/IEC Directives.
47. PSI will see to it that national standards are regularly reviewed and updated to ensure continuous alignment with technological developments, market trends and regional or international requirements. Moreover, PSI, will participate actively in the process of developing international standards where this is of strategic relevance for Palestine, and will coordinate this involvement with the relevant local bodies.
48. To develop Palestinian National Standards, PSI and the Standards Development Organizations will establish the relevant technical committees, which will develop the standards in conformity with approved guidelines and rules. Ministries, academic and scientific institutions commit themselves to participate in these committees, along with individual or organized industry, traders, suppliers and civil society (NGOs, agriculture and tourism, and other specialized associations).

4.5 Accreditation

49. To facilitate independent attestation of the technical capabilities of the conformity assessment service providers to the satisfaction of the local and foreign markets and authorities, the Palestinian Authority will separate the accreditation activities from PSI and establish the Palestinian Accreditation Service (PAS) as an independent entity under the Ministry of National Economy. No other national accreditation body shall be established for the domains within the scope of ILAC and IAF multilateral recognition agreements.
50. In order to facilitate the international recognition of PAS, the Ministry of National Economy will ensure that accreditation decisions remain independent from political interference and undue financial pressures, i.e. the independence criteria of ILAC and IAF will be fully honoured.
51. PAS will ensure that it works in accordance with international standards, pursues international recognition and signs mutual recognition arrangements on behalf of Palestine with relevant international accreditation organizations. "Twinning" arrangements with an internationally recognized accreditation body will be utilised to speed up the process of recognition.
52. The Palestinian Authority will provide the required resources and actively support PAS to become a signatory of the mutual recognition arrangement of the Arab regional accreditation cooperation body, i.e. ARAC, as a precursor to the International Laboratory Accreditation Cooperation (ILAC) and the International Accreditation Forum (IAF) multilateral recognition arrangements.
53. PAS will establish the relevant technical committees involving all relevant Ministries, their technical agencies and other stakeholders to handle all required sectors to be accredited, such as test laboratories, calibration laboratories, bodies for the certification of products and management systems, inspection bodies and bodies carrying out training and certification of quality related personnel. In this way, the needs of the regulatory authorities in whatever Ministry and the private sector will be satisfied.

4.6 Conformity assessment

54. The overall objective of conformity assessment services is to demonstrate the quality of products and services independently from the manufacturer or the supplier. Hence, conformity assessment service providers shall pay attention to actual national needs, be transparent, be non-discriminatory and avoid unnecessary barriers to trade. Their activities shall be based on international standards and guidelines. They shall favour mutual recognition arrangements that would minimize retesting or recertification, thereby helping to reduce conformity assessment costs.
55. Testing and inspection services, certification of product and management systems, and certification of personnel, all of which to demonstrate technical regulation compliance may be provided by laboratories and inspection bodies in both the private and public domain (including PSI) that demonstrably fulfil the requirements of the relevant international standards and are accredited by an internationally recognized accreditation body.

56. In order to provide conformity assessment services, especially to the SME sector, the Palestinian Authority will establish, maintain and continuously improve the conformity assessment service providers and quality infrastructure related institutions such as PSI and others across all Ministries in keeping with the demonstrated needs of the country. These would include inspection agencies, testing laboratories and certification bodies. Furthermore, the Palestinian Authority will seek to ensure that overlaps in establishing and developing capacity in public conformity assessment institutions will be kept to an absolute minimum, even across all Ministries, in order to facilitate their long-term financial sustainability.
57. Whilst enhancing the capacity of the public institutions, the Palestinian Authority will create a policy environment that will not hinder, but facilitate the development of private conformity assessment service providers, and the Palestinian Authority will utilise their services in public procurement and technical regulation provided that they can demonstrate their technical capability through accreditation.
58. As a measure to ensure that the state is provided with quality products and services, the Palestinian Authority will utilise Palestinian National Standards to the fullest extent possible in state purchases, and will demand independent proof of compliance of delivered products and services with relevant standards through an appropriate mix of inspection, testing and certification. Establishing an incentive, i.e. preferential treatment, for enterprises that distinguish themselves in the process of quality improvement through product and/or system certification will be part of the overall approach.

4.7 Technical regulation

4.7.1 Governance of the technical regulation system

59. The governance of the future Technical Regulation system in Palestine will consist of three parties that will be involved in the development and implementation of technical regulation in Palestine. These three parties will be structured such that they can complement each other in their responsibilities and not overlap or interfere.
60. The three parties are a national technical regulation committee (named Team Technical Regulation), the Ministry of National Economy and relevant Ministries responsible for technical regulation development and implementation. Team Technical Regulation represents all relevant Ministries, i.e. those responsible for agriculture, economic development, health, housing, justice, labour, telecommunication, transportation and the environmental. This committee would be established through a Bylaw promulgated by the Ministerial Cabinet and will be chaired by the Ministry of Economic Development.
61. The main responsibilities of Team Technical Regulation would be to:
 - Coordinate technical regulation activities of the relevant Ministries and their agencies;
 - Initiate risk and impact assessments before new technical regulations are developed and implemented;
 - Request responsible Ministries to develop technical regulations considered necessary; and
 - Monitor the effectiveness of technical regulation work of the Ministries and their agencies.

62. The Ministry of National Economy would chair Team Technical Regulation because it is the Ministry that will eventually be responsible for the WTO TBT Agreement implementation in Palestine, and technical regulation is at the heart of this agreement. The Ministry will also be responsible for making information regarding technical regulations (new, old and being developed) available to all stakeholders as well as the notification process *viz. a viz.* the WTO in the future.
63. Team Technical Regulation is a transitional structure. Simultaneous to its formation, the Palestinian Authority will start the process to establish a permanent structure, i.e. a Technical Regulation Office, which will take over the responsibilities of Team Technical Regulation once the required legislation to do so has been promulgated. Team Technical regulation will then be stood down. The Technical Regulation Office will be placed in the Ministry of National Economy.

4.7.2 Development and implementation of technical regulations

64. The development and implementation of technical regulations will remain the responsibility of the various Ministries and their agencies, also the Ministry of Economic Development. The Ministries will have to request Team Technical Regulation (later: Technical Regulation Office) for clearance before developing and implementing a new technical regulation to ensure proper coordination amongst the Ministries is fostered. The relevant Ministry is responsible to have an impact assessment conducted, and Team Technical Regulation (later: Technical Regulation Office) will ensure that it is done.
65. The Palestinian Authority will have guidance legislation for technical regulation that should be followed by all Ministries and their agencies, developed and promulgated. This technical regulation legislation will define the minimum impact assessment process, the way in which standards are referenced or used as the basis of technical regulation, the way in which conformity assessment is to be provided to determine the compliance of products with requirements and who should be able to provide such services, and the way in which administrative sanctions and the courts are to be involved in the case of non-conformities.
66. Ministries have the responsibility to ensure the implementation of technical regulations. This can be in the form of pre-market approval where necessary, market surveillance based on risk assessment and the imposition of sanctions against suppliers in case of non-compliant products. The Ministries decide whether such a regulatory function is managed from within the Ministry or whether an independent agency is established. Either way, these functions will abide with the technical regulation legislation. Ministries will ensure that all the necessary resources, including trained staff, are made available to them to fulfil their functions.

4.7.3 Technical regulation reform process

67. Team Technical Regulation (later: Technical Regulation Office) will cause each Ministry to embark on a major regulatory reform programme. The aim of this regulatory reform programme would be to identify all the technical regulations on the statute books, and thereafter have them reviewed against the promulgated technical regulation legislation. Subsequently such technical regulations will need to be confirmed, revised or withdrawn as appropriate.
68. This regulatory reform programme will contain a sunset clause of five years in order to have all the technical regulations not confirmed or revised to be struck from the statutes. Transitional measures will be introduced to ensure that any technical regulation currently in operation is not rendered invalid until the revised technical regulation is implemented.

5 Education and training

69. The service provision of the NQI depends largely on trained and skilled people. In Palestine these skills are not plentiful. Hence all the relevant institutions are strongly encouraged to do their utmost to increase the pool of skilled workers in the NQI environment.
70. Government (including PSI and PAS) and private academic institutions shall take the necessary steps to ensure that various stakeholders have the opportunity to obtain the knowledge and the skills they need to cope with the economy triggered by globalization challenges, especially as regards standardization and technical regulation in its broadest sense. They must establish appropriate programmes on different education levels including specialised adult training programmes, with the aim to improve the quality culture, and to develop the specialized knowledge and expertise required for implementing the Quality Policy.
71. The Ministry of Education in cooperation with the Ministry of National Economy shall implement measures to develop and establish training and registration programmes for auditors and consultants in quality and environmental management systems, health and safety in the workplace, and other relevant certification activities as defined in international requirements.

6 Information Network

72. A modern NQI and technical regulation environment cannot operate without efficient electronic communication that connects all the quality infrastructure institutions to the rest of the world. Whilst there are many entities that should be part of such a network, including the various organizations of the NQI such as PSI, PAS and others, the following are specifically important.

6.1 National TBT Enquiry Point

73. This information network will be spearheaded by the PSI as the designated future TBT Enquiry Point, but which must be extended to include all the relevant stakeholders. The Palestinian Authority is committed to provide the necessary resources to enable PSI to play a meaningful role in:
 - Providing information on standards, technical regulation and the concomitant conformity assessment and administrative provisions as required by the WTO TBT Agreement;
 - Review technical regulation notifications to the WTO on a continuous basis so as to inform public and private sector stakeholders in Palestine on trends that will impact on their business and on the country; and
 - Compiling relevant information to be utilised by the future Palestinian representatives in the WTO to protect the interests of Palestine.

6.2 Export promotion

74. The Palestine Trade Centre (PALTRADE) is charged with the responsibility to promote export trade, address supply side constraints and improve plans and policies helpful to the private sector in this regard. Over and above its promotional role, PALTRADE collects and disseminates trade information of use to exporters. In this respect the PALTRADE will enhance its data collection to also include the market requirements regarding compliance with standards as well as technical regulation requirements in target markets.
75. PALTRADE will furthermore seek the establishment of consultancies to exporters as regards packaging design and other marketing techniques relevant to export markets, especially to the SME sector.

6.3 Cooperation and coordination

76. The Palestinian Authority will ensure that PALTRADE and PSI coordinate their information provision in such a way that the suppliers and exporters are properly informed as to the market requirements in export markets. In this respect, PALTRADE and PSI will enter into a formal agreement on sharing of relevant information and to support each other in collecting the same. PALTRADE and PSI will also ensure that suppliers can access the web-based information portals of the one through the other.
77. The Palestinian Export and Import Council (PEIC) representing a large number of importers and exporters in the country is invited to become an important contributor to and prolific user of the public information network spearheaded by PSI and PALTRADE.

7 Other stakeholders

7.1 The private sector

78. The private sector has a very prominent role in the implementation of the Quality Policy, and its participation in the development of the NQI is absolutely essential. In order to achieve the maximum benefit from the Quality Infrastructure, the private sector, in cooperation with others should
- Improve the quality of its products and services, hasten the introduction of international practices in the field of quality and so contribute to the competitiveness of Palestinian products and services;
 - Participate actively in representative structures and technical committees dealing with standards, accreditation and metrology or related activities;
 - Participate in and promote national quality events, including national quality awards;
 - Participate in and promote quality dissemination activities, such as congresses, seminars and publication of information in journals, magazines and other suitable means for communication;
 - Develop human resources, training the people needed for improving the quality of products and services;

- Invest in the development of quality infrastructure, thereby benefiting from the improved market opportunities that result from the implementation of the Quality Policy; and
- Participate in financing activities that support quality.

7.2 Non-Governmental Organizations (NGOs)

79. The successful implementation of the Quality Policy will require the active involvement of all of society, in particular associations for the promotion of quality and excellence, chambers of industry, trade and commerce, and the media in order to realize proclaimed objectives.
80. Therefore, within the implementation process of the Quality Policy, NGOs are encouraged to take the following initiatives in coordination with relevant partners:
- Promote and participate in the quality education and training activities;
 - Participate in the dissemination of quality related information;
 - Implement activities that promote the improvement of quality and the environment;
 - Promote the representation of relevant bodies in the technical committees in the field of standardization, metrology, accreditation and quality; and
 - Propose suggestions on quality policy improvement and better ways to implement the Quality Policy.
81. The media is encouraged to become actively involved in the dissemination of information related to standardization and quality and the improvement of productivity, thereby contributing to the multiplication effect and national impact.

7.3 International Development Partners

82. A number of international development partners are active in Palestine. All the recipient Ministries or organizations in Palestine shall ensure that development and capacity building programmes related to the NQI are appropriately coordinated and that they
- support the implementation of the Quality Policy;
 - Support the transfer of knowledge and information which allow for the development of adequate quality and technology infrastructure;
 - Support Palestine's entry into and participation in relevant international organizations; and
 - Provide training for national specialists and technicians who would ease the implementation of the Quality Policy.

8 International liaison

83. Standards, metrology, accreditation and conformity assessment develop rapidly at the international level. It is therefore important that the NQI institutions of Palestine are actively involved in the appropriate international forums, so that Palestinian authorities and industry remain firmly in touch with developments at the regional and international levels.
84. All the stakeholders will cooperate to create conditions favourable for active participation in regional and international organizations related to the various functions of the NQI. These would include ISO, IEC, OIML, BIPM, CAC, ITU, IPPC, OIE, IAF, ILAC, etc. at the international level, and ARAC, AIDMO, SMIIC, etc. at the regional level.
85. The Palestinian Authority is committed to strengthen the affiliation of the national institutions with these international organizations and support the participation of representatives of Palestinian public and private sectors in the relevant general assemblies and especially technical committees where it is of strategic relevance to Palestine. The national institutions will develop and pursue a strategy for such involvement that takes into consideration the needs of the country as a whole.
86. All the stakeholders shall cooperate to create conditions conducive for an effective understanding and participation in the implementation of the WTO TBT Agreement requirements, thereby collectively and individually fulfil Palestinian obligations in international matters related to the NQI and Technical regulation Framework.

9 Financing the NQI

87. It is of vital importance to make the public and private financial resources available for the implementation of the Quality Policy. The Palestinian Authority will be responsible for financing the development, upgrading and restructuring of the existing NQI institutions within the public sector, and will cooperate closely with development partners in this regard.
88. In particular, the Palestinian Authority will retain the responsibility for the funding of –
 - The development and publication of national standards by PSI as well as the maintenance of the standards information centre;
 - The establishment and maintenance of the national measurement standards by the Metrology Directorate and Designated Institutes;
 - The legal metrology services in so far as they cannot be funded through the fees and levies paid by the users of measuring equipment falling within the scope of legal metrology legislation;
 - The establishment and operational expenses of PAS, until such time as the number of accredited organizations reaches a level that the accreditation fees can do so;
 - Establishing and maintaining membership of PSI, PAS, Metrology Directorate in PSI, the Legal Metrology Directorate in PSI and other relevant institutions in international and regional organizations such as ISO, IEC, BIPM, OIML, CAC, IAF, ILAC, etc. relevant to the proper functioning of the NQI activities;

- The establishment and maintenance of testing and calibration capacity in support of the Quality Policy, with the provision that these services be commercialized as soon as possible in order not to compete with the private industry on an unequal basis. Strategically important testing capacity that can never be successfully commercialized will continue to receive the appropriate funding until such time as it is no longer a strategic necessity; and
 - The establishment of proper market surveillance operations to ensure that technical regulations are complied with. The funding for the testing and certification of products falling within the scope of technical regulations remains the responsibility of the suppliers.
89. The financing of private sector institutions and organizations will remain the responsibility of the private sector, as is their involvement in technical committees and similar structures at the national, regional and international level.
90. In order not to distort the market, and to provide for a steady self-earned income of the NQI institutions in the public domain, the private industry, and also government institutions that make use of the conformity assessment services, have the responsibility to pay for such services. The pricing levels shall be set by the NQI institutions to cover costs, taking into consideration the capacity of especially the SME sector to pay for such services.
91. Any governmental financial support for the SME sector shall not be demanded as a reduction of prices of the NQI institutions, but will be channelled to the SMEs in another way.

10 Legal framework

92. The NQI institutions, especially in the public domain, are bound by legislation that governs their objectives, authorities, governance, finances, processes and operations. The business environment is affected by the legal and regulatory framework related to the quality infrastructure and technical regulation. Therefore, to facilitate the implementation of this Quality Policy, the Palestinian Authority is committed to review the existing legal framework as a priority measure, to benchmark it against international good practices, and to ensure that it complies with the current and future international and regional obligations of Palestine.
93. Legislation that will be reviewed or developed shall include legislation for, but not limited to, the following:
- Establishment of the Palestinian Standards Institution (PSI) and containing requirements for the development and publication of Palestinian National Standards;
 - Metrology and the activities of the Metrology Directorate in PSI;
 - Elevating the Weights and Measures activity to a Legal Metrology activity;
 - Establishment, responsibilities and processes of the Palestinian Accreditation Service (PAS); and
 - Definition of the national technical regulation modalities and the establishment of a Technical Regulation Office in the Ministry of National Economy.

11 Implementation

11.1 Lead Ministry

94. The Ministry of National Economy is given oversight responsibility for the implementation of this NQP. The Ministry will establish a National Quality Infrastructure Focal Point within the Ministry that will support the Ministry and the Minister in the day-to-day activities of implementing the NQP.

11.2 Oversight structure

95. The Ministry of National Economy will establish an inter-Ministerial Steering Committee representing the Ministries of National Economy, Health, Agriculture, Labour, and Public Works, as well as the National Standards Body and the National Accreditation Body as members. The development partners are invited as observers. The Minister of National Economy is the designated Chairperson and the National Quality Infrastructure Focal Point will act as Secretariat.

96. The Steering Committee is established with the main objective of leading the institutional and legal modernisation of the NQI and technical regulation practices in order that the concerned institutions provide competent and essential support and services to industries, the Palestinian Authority and all other stakeholders in line with the international good practices and norms. In discharging its functions, the Steering Committee will:

- a) Review and adopt findings of investigations on the current status of the national quality infrastructure;
- a) Commission studies, request information from concerned institutions and conduct research to obtain information and data;
- a) Develop and endorse recommendations in relation to establishing policies, functions and roles of the institutions concerned and in relation to developing or revising the enabling legislation for the national quality infrastructure;
- a) Adopt plans for the modernization of the national quality infrastructure and assign implementation to specific agencies or persons;
- a) Progress recommendations made to the highest level of the Government for modernizing the legislation, rules and procedures for the concerned departments; and
- a) Monitor and oversee implementation plans on a regular basis till successful implementation.

11.3 High level implementation plan

97. In establishing the Quality Infrastructure as envisaged in this policy, the current institutions have to be reviewed, new structures have to be established and responsibilities have to be allocated to ensure that the quality infrastructure environment is conducive to delivering the required services. An integrated approach is required to ensure that there are no oversights, overlaps, duplication and conflicts of interest amongst the various institutions that constitute the NQI and the Regulatory Agencies of Palestine.

98. Hence, the Ministry of National Economy, in cooperation with the Steering Committee will develop an Implementation Plan within three months of the promulgation of the NQP that will be followed by all relevant stakeholders, especially all the Ministries and their Agencies, in implementing this NQP.

11.4 Implementation responsibilities

99. Each Ministry and its Agencies is charged with the implementation of its identified part of the NQP. The Ministries and their Agencies will liaise closely with the Steering Committee in this regard. The relevant Ministries are also charged with the responsibility to ensure that the implementation of the NQP interfaces seamlessly with the implementation of their own policies wherever these impinge on each other.

11.5 Time line

100. The Government is committed to implement the provisions of this NQP within a period of five years from the date of its approval. The Steering Committee shall review implementation progress annually and report to the Ministry of National Economy in this regard, and the Ministry shall likewise report to Cabinet.

12 Definitions

The following definitions apply to this Quality Policy unless the context determines otherwise –

- **Accreditation** is the procedure by which an authoritative body gives formal recognition that a body or person is competent to carry out specific tasks;
NOTE: For the purposes of this policy the scope of accreditation will be limited to that of the scope of the ILAC and IAF multilateral recognition agreements.
- **Calibration** is the set of operations that establish, under specified conditions, the relationship between values of quantities indicated by a measuring instrument or measuring system, or values represented by a material measure or a reference material and the corresponding values realized by standards;
- **Certification** is the procedure by which a third party provides written attestation that a product, process or service meets specified requirements;
- **Conformity assessment** means the demonstration that specified requirements relating to a product, process, system, person or body are fulfilled;
- **Inspection** means the examination of a product design, product, process or installation and determination of its conformity with specific requirements or, on the basis of professional judgement, with general requirements;
- **Measurement standard** means a material measure, measuring instrument, reference material or measuring system intended to define, realize, conserve or reproduce a unit, or one or more values of a quantity, to serve as a reference;
- **Metrology** is the science of measurement;

- **National Quality Infrastructure** (NQI) means the totality of the institutional framework (public or private) required to establish and implement standardization, metrology (scientific, industrial and legal), accreditation and conformity assessment services (inspection, testing and product- and system certification) necessary to provide acceptable evidence that products and services meet defined requirements, be it demanded by authorities (technical regulation) or the market place (contractually or inferred);
- **Public** in the context of the private and public sector includes independent statutory bodies;
- **Quality** means the degree to which a set of inherent characteristics or distinguishing feature fulfils requirements that are stated, generally implied or obligatory;
- **Quality management** means the coordinated activities to direct and control an organization with regard to quality;
- **Standard** means a document, established by consensus and approved by a recognized body, that provides, for common and repeated use, rules, guidelines or characteristics for activities or their results, aimed at the achievement of the optimum degree of order in a given context; and
- **Technical regulation** means a document which lays down product characteristics or their related processes and production methods, including the applicable administrative provisions, with which compliance is mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method.
- **Testing** means the determination of one or more characteristics of an object of conformity assessment in accordance with a specified way.

Annex: High Level Implementation Plan

Table 1: High level Implementation Plan for the National Quality Policy

Policy Objective	Broad-based Activities	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
The primary objective of the Quality Policy is to ensure that goods and services emanating from or traded in Palestine are readily accepted in the national and international markets. This means that they have to be designed, manufactured and supplied in a manner that fully matches or exceeds the needs, expectations and requirements of the retailers, purchasers and consumers as well as those of the regulatory authorities	Implement the NQP and coordinate measures in respect thereof.	X	X	X	X	X
	Review and/or develop NQP related legislation, namely: a) Palestinian Standards Institute (PSI); b) Metrology (SI System and National Measurement Standards); c) Legal Metrology (Weights and Measures); d) Palestinian Accreditation Service (PAS); and e) National Technical Regulation Framework (including a Technical Regulation Office).	X	X			
The design and establishment of a metrology, standardization, accreditation, inspection, testing and certification infrastructure that fully meets the needs of the country	Separate Accreditation from PSI	X				
	Separate technical regulation from PSI	X	X	X		
	Establish relevant laboratories in PSI and others	X	X			
	Establish system certification in PSI	X				

Policy Objective	Broad-based Activities	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5
To support the application of the techniques, practices and service provision of the NQI to demonstrably comply with international standards throughout	Build capacity in Metrology and Legal Metrology in PSI, have CMCs registered in BIPM database	X	X	X	X	X
	Build capacity in PSI for Standards development, publication and information	X	X			
	Build capacity in PAS in Accreditation and gain MRA/MLA status with IAF and ILAC	X	X	X	X	X
	Build capacity in laboratories and gain accreditation to ISO/IEC 17025	X	X	X	X	
	Build capacity in PSI for certification of products and systems, gain accreditation to ISO/IEC 17021 and ISO/IEC 17065		X	X		
To establish a common and effective national approach to technical regulation in Palestine to safeguard the people, fauna and flora and the environment – including its related legislation – that meets international requirements such as the WTO TBT and SPS Agreements and international good practices	Develop and promulgate national approach to technical regulations	X	X			
	Establish technical regulation focal points and agencies in relevant Ministries		X			
	Train staff in technical regulation development, risk analysis, market surveillance and application of sanctions		X	X	X	X
The establishment of effective cooperation amongst the NQI institutions and the national regulatory authorities, and with their international and trading partner counterparts	Establish NQI Focal Point in MNE	X				
	Establish Inter-Ministerial Steering Committee	X				
	Establish Office of Technical Regulation and train staff			X		
	Initiate and complete review of technical regulations on statute book			X	X	X
	Build capacity in the WTO TBT Enquiry Point in PSI	X				
	Establish cooperation mechanisms between PSI and PALTRADE	X				
The development of the human resources necessary to support the various metrology, standardization, accreditation, conformity assessment and technical regulation programmes.	Establish training courses for metrologists, auditors and assessors in PSI and tertiary education institutions	X	X	X	X	X
	Establish national registration programmes for metrologists, auditors and assessors	X				
	Train and register metrologists, auditors and assessors		X	X	X	X
	Introduce quality relate subjects in secondary and tertiary education institutions		X		X	
To raise the quality consciousness amongst both the suppliers and the consumers, i.e. an undertaking to introduce and maintain a quality culture in public life and throughout society	Develop and implement a communication strategy for raising quality awareness					
	Dialogue with Ministries, Regulatory Agencies and local authorities on quality issues					
	In collaboration with PSI and PAS undertake targeted quality awareness activities among public and private sector					

