

Accreditation Board spreads its wings

A consultant discusses how BAB helps cut accreditation costs

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BANGLADESH Accreditation Board (BAB) has started to receive more applications from local laboratories, inspection bodies and certification bodies, with 15 testing and calibrating laboratories already accredited.

Local and foreign companies after owning accreditation certificates from the statutory body are helping exporters have their products tested in line with international standards. As a result, their products are being rarely tested at foreign soils and they face minimum technical difficulties.

In 2006, the government established BAB with a mandate to upgrade the quality assurance infrastructure and conformity assessment procedures in Bangladesh, and enhance the recognition and acceptance of products and services in international, regional and domestic markets.

As of June this year, the board has awarded 15 accreditations to 18 laboratories with another 30 applications from laboratories, inspection bodies and certification bodies in process, said Ned Gravel, a consultant of BAB.

"Most companies that have been certified by BAB have never been accredited before. International standards itself impose specific quality assurance and quality control on technical discipline," he told The Daily Star in an interview on Saturday.

"They now have discipline in their laboratories that makes their tests better and more precise."

In December 2011, the United Nations Industrial Development Organisation (UNIDO) hired Gravel, a French-Canadian living in Ottawa, to work for BAB as consultant under a European Union-funded project.

Since then, the 62-year-old has been training officials at BAB on how to write, understand, assess, accredit and make decision to help them acquire the knowledge to run an accreditation programme.



Ned Gravel

He said accreditation is one of the voluntary processes used around the world to formally recognise competence of a testing laboratory, calibration laboratory, inspection body, product certification body or even a clinical laboratory and hospital.

In short, BAB accredits organisations which test, calibrate or inspect goods meant for exports and for national regulations, said the lead evaluator of the Asia Pacific Laboratory Accreditation Cooperation (APLAC).

Laboratories, inspection bodies and certifiers who maintain accreditation from International Laboratory Accreditation Cooperation (ILAC) and/or International Accreditation Forum (IAF) benefit from thoroughly vetted accreditation processes.

As signatories to these arrangements, the accreditation bodies deem

each other equivalent. Trade barriers are reduced through efforts and activities of these arrangements because there is confidence created in the end-product.

Gravel said the results of testing, inspections and certifications produce both consumer and regulatory confidence in products moving between markets.

Because of the stated and verified equivalency, it allows manufacturers to test a product once, rather than multiple times.

BAB also has awarded accreditation certificates to organisations that will work for local markets. For example, two organisations are working on testing water discharged by factories so that harmful materials do not cross permissible level.

"Here, BAB has accredited the organisations to ensure environmen-

tal regulations. It is more than exports because it ensures environmental regulations and takes care of health and safety concerns of the citizens," the French-Canadian said.

"These testing results are accepted globally. That is the idea of accreditation. What happens here in Bangladesh exactly happens in Canada or France, the United States and Europe."

Before BAB came into being, companies had no other option but to go to other nations to get accreditation.

"With the set up of BAB, it is saving time and money. Now you don't need to go to foreign companies to get the services. Manufacturers do not incur foreign expenses."

Inspection and certification of export products costs only one-twentieth of what it would in Europe or North America.

Gravel said accreditation of laboratories, inspection bodies and certification bodies ultimately provides assurance to consumers and business. It builds trust, he said.

"Through the standardisation and regulatory process, coupled with accreditation, consumers and businesses are assured that they are purchasing a quality product that is safe."

BAB has applied for signatory status of APLAC and ILAC.

"I think BAB is ready to get the signatory status. We will go to Mexico in a couple of weeks to attend the APLAC general assembly. We will see what the members of the APLAC decide."

He said while BAB has enough manpower to do the things it has done, it will need more manpower as it grows.

"The manpower will come from organisations which have people with experience in inspection, certification, testing and calibration. BAB's technical manpower must come from that technical background."

BAB is a successful example of private and public cooperation, where BAB manages the process and while outside assessors from universities, industries, public institutions and government agencies are brought in and trained and sent out to do assessment.

About 75 percent of the 120 assessors are from the private sectors.

BAB now runs on allocation from the industries ministry, but Gravel said it has the potential to make more than enough to meet its own financial commitments.

The board has also been able to finance one-third of its annual expenditure on its own, according to Md Abu Abdullah, director general of BAB.

BAB is now accrediting testing and calibrating laboratories. In future, it will expand to include inspection bodies, management system certification bodies, product certification bodies, medical laboratories and proficiency testing providers and certified reference materials producers.

"They can expand as they gain more experience," said Gravel.

Apart from BAB, three accreditation bodies are working in Bangladesh, with two from India and one from the US.

"Their standards are exactly the same," he said.

He also urged the government to make special rules for BAB so that its staff can make obligatory visits to other countries and allow their participation in international meetings that create trust for their APLAC and ILAC partners.

The commitments also include foreign travels to go to these meetings because people who approved them internationally want to see them twice a year. It is a requirement for recognition.

"They want to know their partners and see their partners running equivalent programmes. This means meeting them time to time and discussing the issues. This will be a challenge for them because of the government rules on travels."

BAB will have to convince the ministry or the government to allow them leeway to participate in the obligatory international meetings. The government may make a set of exceptional rules for the organisation which represents the government of Bangladesh to these other nations.

In association with the Dhaka Chamber of Commerce and Industry, BAB recently organised a seminar in the capital to mark the World Accreditation Day -- with an aim to raise awareness of the value that accreditation plays in providing confidence in the provision of energy.

At the seminar, BAB awarded four certificates to the Quality Assurance Laboratory of Nestlé Bangladesh Ltd, Fisheries Inspection and Quality Control Laboratory Chittagong, Fisheries and Quality Control Laboratory Khulna and Bureau Veritas Consumer Products Services (BD) Ltd Laboratory.

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Indian activists of the Communist Party of India-Marxists burn an effigy representing Prime Minister Narendra Modi during their protest against the price hike in railway fares, in Hyderabad yesterday.

Protests in India over steep rail fare hike

Afp, New Delhi

ANGRY demonstrators blocked railway tracks and burned effigies of Indian Prime Minister Narendra Modi Saturday to protest a steep hike in train fares, seen as the government's first tough step towards reforming a sluggish economy.

Modi's government, which came to power a month ago after overthrowing the ruling Congress, has pledged to revive the economy after it grew at just 4.7 percent last year -- the lowest in nearly a decade.

The hike is seen as the first dose of the "bitter medicine" that Modi recently warned was needed to revive the economy, Asia's third-biggest.

In northern Uttar Pradesh state, scores of flag-waving protesters blocked railway tracks in Allahabad city, forcing the Ganga-Gomti passenger train to halt.

And in the capital New Delhi, hundreds of supporters of the opposition Congress party set fire to an effigy of Modi before police fired water cannon to disperse the crowd.

"It is a massive hike. If they continue to take steps like this, I am sure people of the country will punish the government," Arvinder Singh Lovely, a Congress leader, told reporters.

Modi's effigy was also burnt in the southern city of Hyderabad by support-

ers of the Communist Party of India (Marxist), which is part of the opposition.

Rail passenger fares were increased Friday by 14.2 percent and freight rates by 6.5 percent with effect from June 25, the steepest in the last 15 years.

Railway Minister Sadananda Gowda said he was "forced" to take the step in order "to meet all the necessary expenditure", hinting at the financial crunch the state-controlled network is facing.

The Indian railway system, one of the world's largest, is still the main form of long-distance travel in the huge country. But years of financial neglect and populist policy of subsidising fares have hit the network hard.

Congress spokesman Ajay Maken said the increased fares would put an "additional burden" on the middle-class and the poor, who are already facing the brunt of high inflation.

"This comes at a time when the prices of onions and potatoes have skyrocketed. As an opposition party, we demand an immediate rollback of this hike," Maken said.

However, in an editorial Saturday, the leading business daily Economic Times welcomed the "courage" shown by Modi's government in raising the fares.

It said the move was justified, given the high fuel costs and "railways' desperate need for more revenues".

Canada overhauls foreign worker rules, citing abuses

AFP, Ottawa

Canada's jobs minister unveiled stricter rules for hiring temporary foreign workers Friday after allegations of widespread abuses by employers, such as sidelining Canadians for jobs.

The changes are meant to ensure the foreign worker program is used as intended "as a last and limited resort to fill acute labor shortages on a temporary basis when qualified Canadians are not available," Employment Minister Jason Kenney said in a statement.

The new rules include more job site inspections, fines of up to Can\$100,000 (US\$93,000) and jail for employers who abuse the program. Also, the amount of time a temporary foreign worker can remain in Canada has been halved to two years.

Temporary foreign workers will no longer be allowed to apply for low-skilled, low-paid jobs in restaurants, hotels or retail stores in areas where unemployment is higher than six percent -- which is most major cities across Canada.

The latter is meant to encourage hiring of Canadian youth, who as a group are struggling with high unemployment.

Ottawa took action after receiving hundreds of complaints about employers including a trucking firm, restaurants such as McDonald's, and even banks searching abroad for people to fill jobs in Canada that could have gone to Canadians.

In some cases, Canadians said they lost their jobs to foreign workers. Kenney reserved particular scorn for the fast-food industry, saying he was "really ticked off" to learn that Canadian applicants were not even considered in some cases, or that new franchises were opened in areas where employers then claimed they could not find local workers to hire.



Harley-Davidson is hitting the US road to see what its legion of die-hard fans think of its latest product -- a futuristic all-electric motorcycle. Dubbed the Project LiveWire, the bike accelerates to 60 miles an hour in four seconds, then cruises leisurely for around 100 miles on its lithium-ion battery.

After eurozone crisis, IMF rethinks rescues

AFP, Washington

THE International Monetary Fund is rethinking bailouts in the wake of the eurozone crisis, with an eye to giving governments near default better options to stabilize their finances.

To date the world's crisis lender has had two choices to help out a country struggling to pay its debts: offer funds to keep it afloat while it adjusts policy, or, if the crisis is too deep, first require its creditors to write off some of the debt.

But the eurozone crisis showed that that was too inflexible, given the difficulty of assessing what is needed to ensure debt "sustainability" -- when a country can continue to service its debt while making necessary governance adjustments and reforms.

Taking the harsher approach of writeoffs to ensure sustainability, the IMF concluded, risks not only the country perhaps unnecessarily losing access for a long time to capital markets, but also contagion, causing further damage to the broader financial system.

That was the case with the bailouts of eurozone countries. The restructuring of Greek debt especially damaged holders of its bonds around the eurozone, including banks, and sparked selloffs of the bonds of other at-risk countries, pushing them toward crisis.

"No matter how orderly a debt restructuring operation is, it will impose costs... (which) may include any spillover effects to other sovereign bonds or asset classes," said the IMF study.

"From the perspective of global financial stability, there is also the risk of contagion."

The IMF study suggests a third way: if the country can still pay its debts but faces the possibility of default because it has lost access to markets, the IMF will push the bondholders to stretch out the payment terms of their bonds, rather than take writeoffs, to help stabilize the government.

The IMF would then provide funds to the government, along with a required program of reforms, aimed at helping it restore access to capital markets more easily.

It could also avoid going through the lengthy process of negotiating a debt restructuring, which allows creditors time to dump their bonds, complicating the broader rescue program.

Such a "reprofiling", rather than a full debt restructuring with writedowns, "will generally be less costly to the debtor and creditors -- and thus to the system overall," it said.

"Relative to a bailout, the financing that will be provided through the reprofiling could allow for more gradual adjustment paths, which would help growth, reduce economic dislocation and facilitate successful program implementation."

The third way still hinges on the challenge of knowing how sustainable or near-unsustainable a country's debt is.

But it would also confront a problem that arose with the Greek bailout, and subsequently, Portugal and Ireland. Then rules were bent to promise the countries financing without first forcing creditors to take a writedown, out of fear of a threat to the entire eurozone.