



Strategies to enhance SPS capacity for cross-border trade

Facilitating Trade of Perishable Goods
in the Context of the WTO TFA

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Yogyakarta, Indonesia, 7 Sep. 2017

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STDF

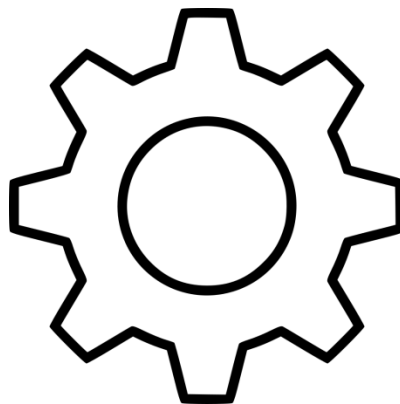
Standards and Trade
Development Facility

STDF's Global Partnership

Goal: Increased capacity of developing countries to implement international SPS standards, guidelines and recommendations, and ability to gain and maintain market access

Coordination mechanism and knowledge hub to

- identify good practice
- strengthen coherence
- avoid duplication
- enhance results

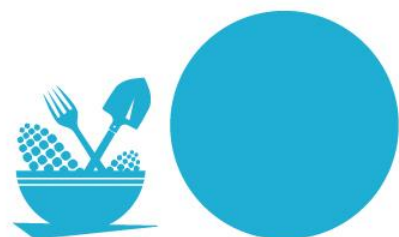


Funding for project development and implementation, focus on:

- innovative, collaborative projects that develop SPS capacity to gain and maintain market access



STDF PROJECTS IN 2016



Food Safety
12 projects



Plant Health
7 projects



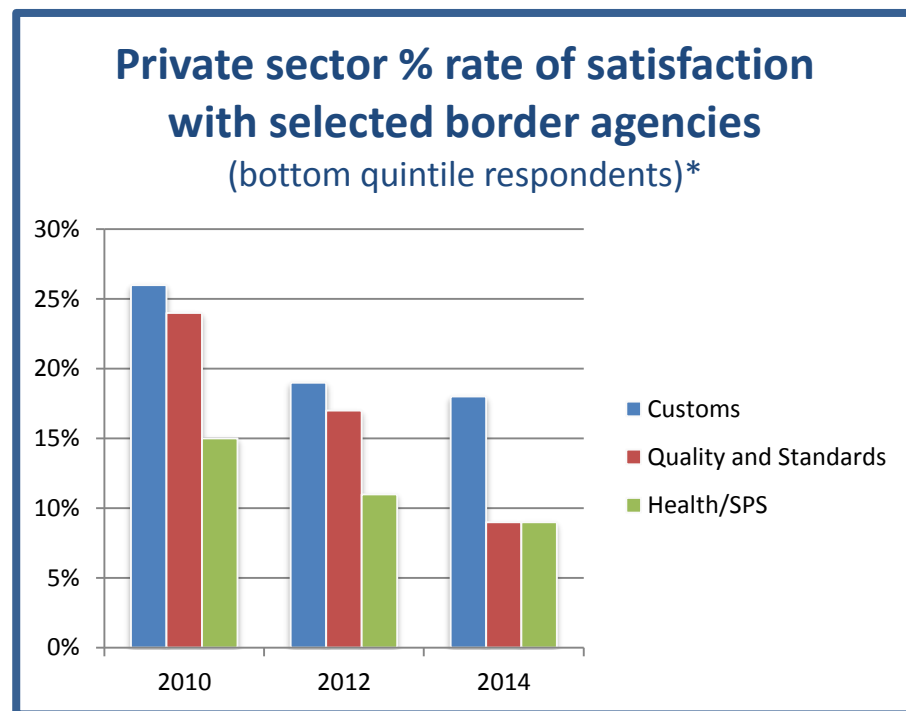
Cross-cutting SPS
3 projects



Animal Health
1 project

Trade in food and agricultural products

- Trade costs in agriculture much higher than manufacturing
- Outdated border procedures and red tape
- Performance gap between health/SPS agencies and others
- Lower performing countries
 - More physical inspection
 - Longer import / export lead times



Source: World Bank Logistics Performance Index

WTO Agreement on the Application of Sanitary and Phytosanitary (SPS) Measures

Recognizing the right
to protect human,
animal and/or plant
life or health



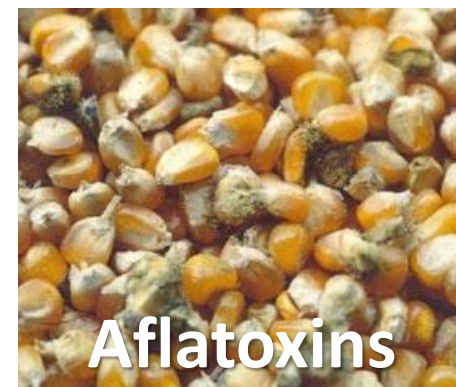
Avoiding
unnecessary
barriers to trade

Facilitate safe trade

What are SPS measures?

For example:

- Product criteria
- Quarantine measures
- Processing methods
- Certification
- Inspection
- Testing
- Packaging (food safety)



SPS measures should *inter alia* be:

- Non-discriminatory
- Transparent
- Science-based (risk assessment)

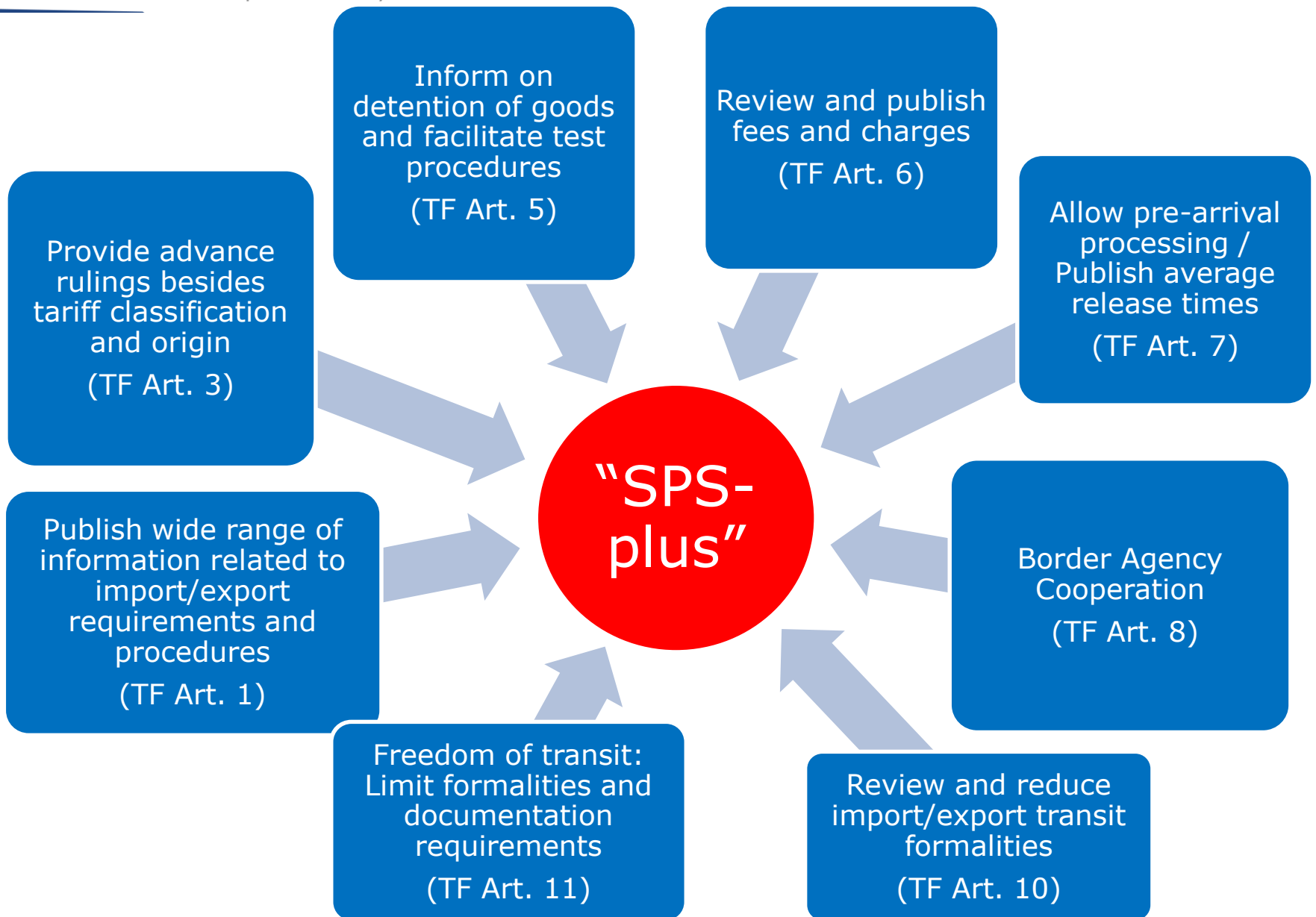


- Not more trade-restrictive than necessary

Control, Inspection and Approval Procedures (Art. 8 and Annex C)

- No undue delays
- Information requirements limited to what is necessary
- Non-discriminatory fees (not higher than actual cost of service)
- Non-discrimination in siting of facilities and selection of samples
- Procedure to review complaints, take corrective action, etc.

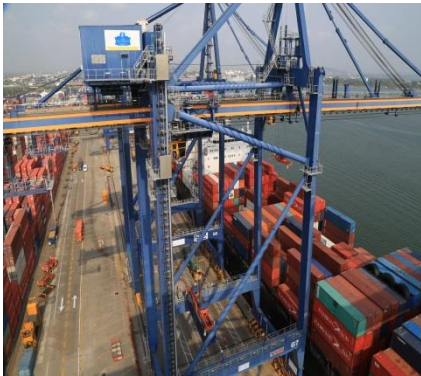
SPS Annex C closely linked to TFA



Facilitating safe trade

STDF research in Southeast Asia and Southern Africa to analyse how SPS measures for specific products are implemented in practice:

- Options and good practices to reduce transaction costs, without compromising health protection?
- Opportunities for synergies with WTO TFA to leverage resources for improved SPS border management?



See: www.standardsfacility.org/facilitating-safe-trade

Persistence of SPS-related procedural obstacles to trade

Challenges

- Complex and lengthy procedures
- Excessive document requirements
- Limited information
- Multiple inspections
- Little coordination between border agencies
- No complaints / appeal procedures
- Arbitrariness, unpredictability

Consequences

- More controls than justifiable
- Longer than necessary waiting times
- Uncertainty
- Increased costs for traders, sometimes also for government

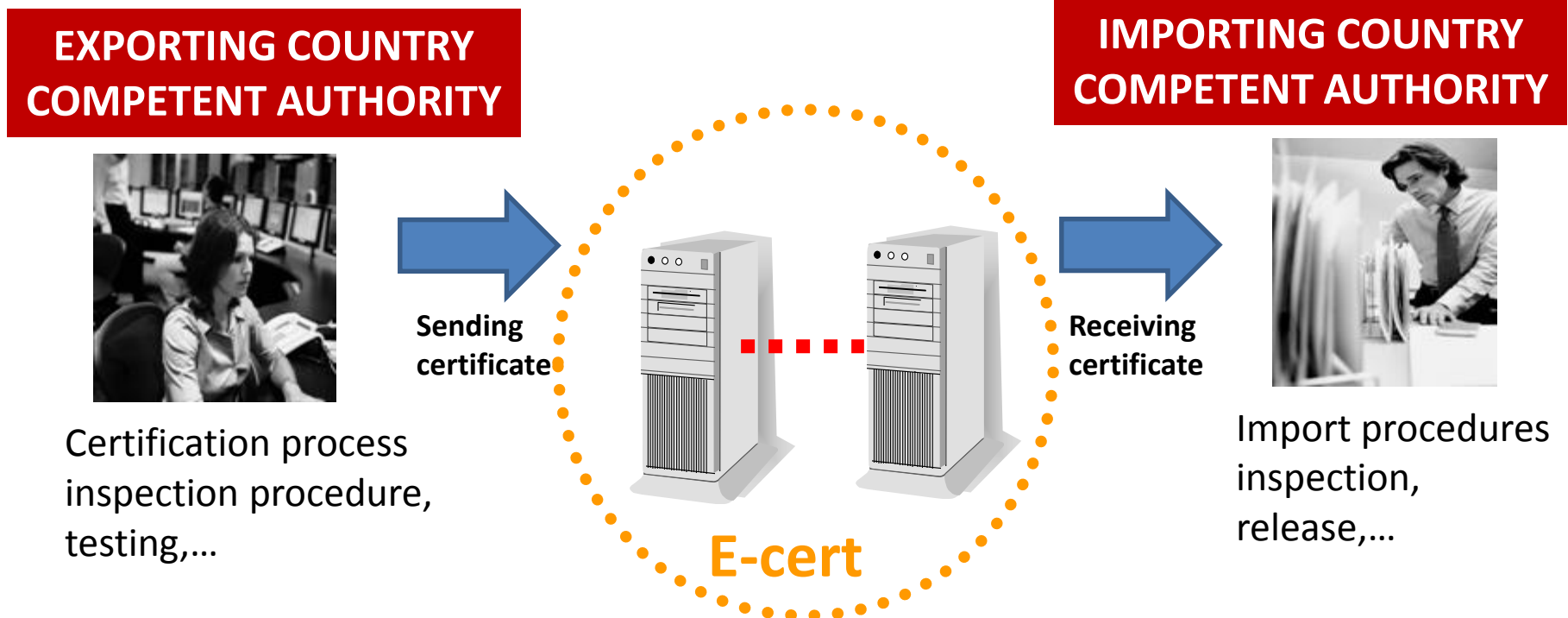
Win-Win strategies to reduce costs and enhance health protection

- Streamline and simplify regulations, procedures
- Implement risk-based approaches
- Improve transparency
- Better coordination between SPS authorities, and with Customs
- Engage SPS authorities in national trade facilitation committees
- Include SPS controls in national single windows
- Move towards electronic SPS certification



What is SPS e-Cert?

The authenticated, non-repudiative and secure electronic transmission of SPS certification data (including the certifying statement) from one competent authority to another



STDF work on SPS e-Cert

Electronic SPS certification can contribute significantly to facilitating safe trade

- Momentum: WTO's Trade Facilitation Agreement
- Driver for reform: streamline import-export business processes, promote regulatory reform, encourage inter-agency collaboration



STDF seminar on SPS e-Cert
Geneva, June 2017

www.standardsfacility.org/SPS-eCert

Transitioning from paper-based to
automated SPS systems, Geneva, July 2017:

www.standardsfacility.org/A4T_Review_2017

Advantages of SPS e-Cert

Integrity

- Electronically secured certificates
- Cross-checking in real time
- Single national register of certificates

Efficiency

- Faster processing through pre-validation
- Single view of all relevant information
- Simple maintenance of forms

Security

- Very difficult to forge
- Online verification for third parties
- Searchable database with all certificates

Time

- Computer-assisted application preparation
- Faster processing cuts export time
- Faster management through real-time status

Challenges in implementing e-SPS certificates

- Weaknesses in existing paper-based systems
- Inadequate legislative framework
- Lack of political will, resistance of mid-level management
- Limited collaboration
- Lack of standardized exchange protocols (considerable investment to deal with non-standard data requirements)
- High costs
- IT infrastructure

Cherry on the cake?

- e-CERT is most effective when countries already have effective paper-based SPS certification systems, including functioning institutions and adequate legislation
- e-CERT does not solve systematic failures in national SPS import / export control systems
- Avoid risk that automation delivers the cherry, without the cake!



Moving forwards towards SPS e-Cert

- Improve existing paper-based systems
- Analyse SPS and other import / export business processes to identify the needs, expected costs and benefits of automation
- Better collaboration across government and with private sector
- Use existing standards (UN/CEFACT)
- Include a pilot phase, transition phase and fall-back plan
- Sustainability? Options for cost recovery
- International guidance



STDF e-Phyto project

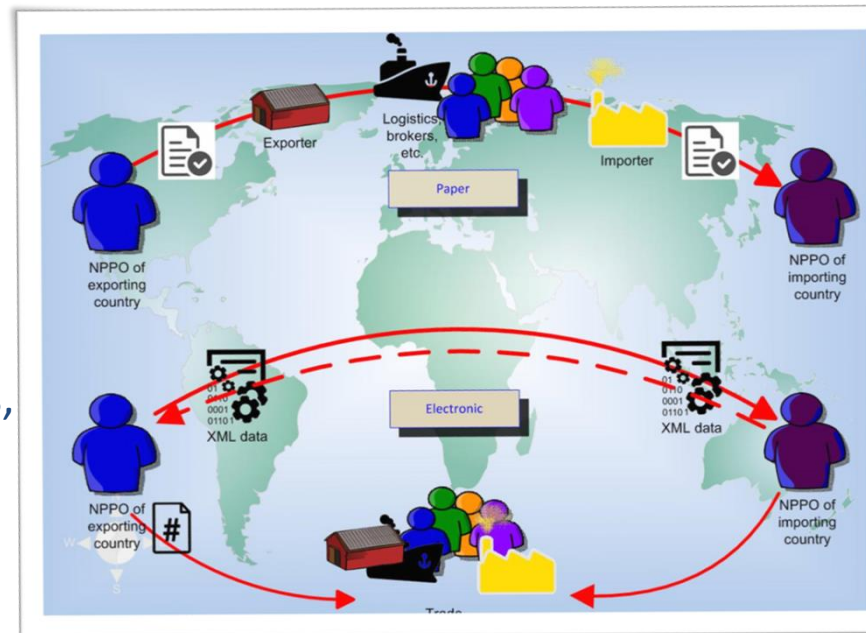
Objective: Use of an innovative, cost effective and globally harmonized system for exchange of electronic phytosanitary certificates

Approach: Simple generic web-based system to produce, send and receive electronic phytosanitary certificates, and development of a harmonized exchange tool

Time-frame: 2016-19

Implementation: IPPC Secretariat, FAO

ISPM 12, Appendix 1: E-phytosanitary certificates, schemas and exchange mechanisms (2014)



STDF e-Phyto project

Countries that will use the generic national system:

- Egypt, Ghana, Samoa, Senegal, Sri Lanka

Countries with national systems to connect to the Hub:

- Argentina, Australia, Chile, China, Ecuador, Kenya, Korea, New Zealand, The Netherlands, USA

Collaborative approach involving diverse partners: government authorities, international organizations (trade, health, customs), private sector

See: www.standardsfacility.org/PG-504

STDF Film: Safe Trade Solutions*

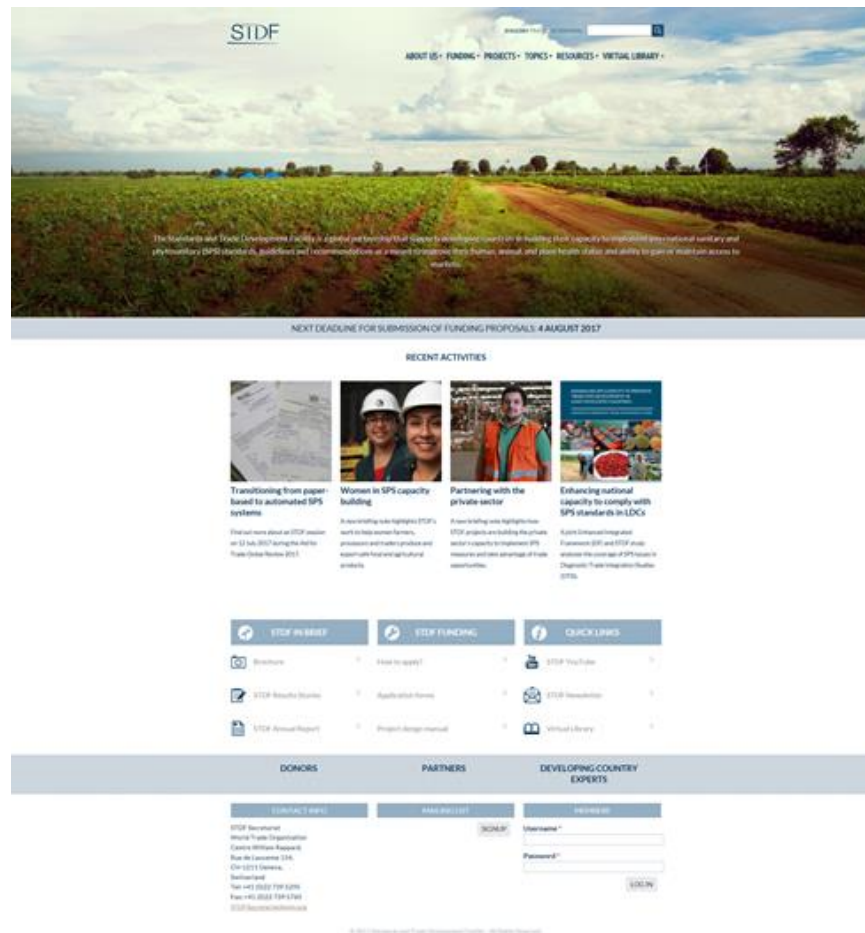
What are Chile, Peru and Colombia doing to enhance health protection and speed up trade?



* See: www.standardsfacility.org/video-gallery and www.youtube.com/watch?v=Eww1MsewAOk

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