

Facilitating Safe Trade in Agro-Industry: The Role of Quality Infrastructure

Session 1: Addressing Standards-Related Issues in Agriculture Trade

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SDG's and Inclusive and Sustainable Industrial Development (ISID)







17 Global Goals for Sustainable Development





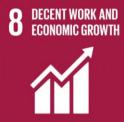




































World Leaders have committed to 17 Global Goals to achieve 3 extraordinary things in the next 15 years.

End extreme poverty. Fight inequality & injustice. Fix climate change.

The Global Goals for sustainable development could get these things done. In all countries. For all people.





Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Inclusive

Sustainable

No one sn. De left behind. We should ensure that no person - regardless of ethnicity, gender, geography, disability, race or other status - is denied universal human rights and basic

economic opportunities.

less carbon-intensive can save energy, reduce consumption of non-renewable resources, and minimize greenhouse gas emissions, while also stimulating innovation, technological change, diversification and job

creation.

40n

Industrial **Development**

New development approach, which looks at society, economy, industry and the environment as a

whole.



UNIDO's 3C Approach

Competitiveness of SMEs

Conformity with Standards

Connectivity

Strengthening innovation capacities & capabilities

Enhancing Competitiveness of SMEs

Improving business environment

Building trade capacity

Strengthening quality infrastructure systems

Facilitating trade

Building business partnerships & mobilizing investment

EVELOPMENT ORGANIZATION

www.unido.org





BUILDING QUALITY INFRASTRUCTURE

FOR ECONOMIC COMPETITIVENESS





TOGETHER for a sustainable future

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Environment

Quality Cosmos

Food

Safety

Energy

Gender **Equality**

Good Governance

Consumers Enterprises Quality Quality Infrastructure Quality Promotion Enterprise Awareness Metrology Conformity Assessment Regulatory Standardization Testing Certification Value Chain

Trade **Facilitation**

Social Inclusiveness

Economic Competitiveness

Sustainability

UNITED NATIONS INDUSTRIAL





FOOD SAFETY

FOR BETTER BUSINESS
AND CONSUMER
CONFIDENCE







YEARS MAINTAINE TUTURE 256 - 2016

UNIDO's Approach to Food Safety



Systemic Approach

Quality Infrastructure

Enterprise Level

Considering coherence of all dimensions:

- Align quality infrastructure with food safety regulatory framework
- Improve food safety quality infrastructure services
- Introduction of QM schemes to integrate SMEs into global value chains





UNIDO's Approach to Food Safety: Tools

Tools for Safer Food

Rejection Analysis

Value Chain Analysis

Partnership Building

Needs
Assessment and
Stakeholder
Engagement







QI considerations in relation to Food Safety

Trade Standards Compliance

Buyer
Compliance
Confidence
Radar
250 Global
Buyers

Import
Rejection
Analysis
Major markets:
EU, US, Japan,
Australia











Meeting Standards, Winning Markets

Trade Standards Compliance 2015



Quality
Infrastructure
Performance
Survey

49 Countries





Value Chain Analysis – UNIDO's Approach

Cultivation

Processing

Pulping/ Washing

Drying

Roasting

Export













Regulations & Standards

Inspection & Certification

Testing

The national quality system is improved to provide state-of-the-art conformity assessment services

- Standardization
- Inspection & Certification
- Testing

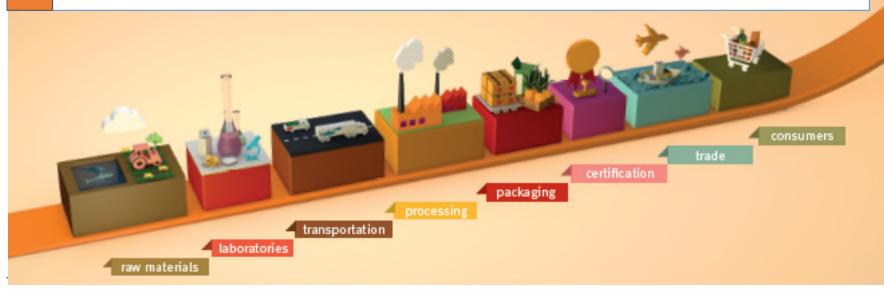
Based on a targeted value chain analysis the quality and competitiveness of products can be improved by ensuring food safety at every stage of the value chain.





Food Supply Chain from farm to plate, make food safe

Because the food supply chain contains numerous links 'from farm to plate', enhancing food safety can only be assured by aligning the efforts of producers, the food industry and public health authorities. Also, consumers are taking an unprecedented interest in the way food is produced, processed and marketed, bringing governments under mounting pressure for increased food safety and consumer protection.

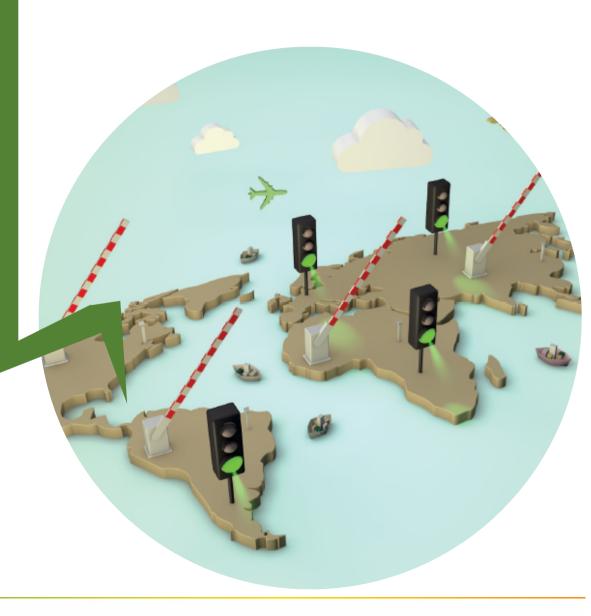






TRADE FACILITATION

SMOOTHING
THE PATH TO
GLOBAL MARKETS







Challenges to comply with TFA



Developing countries often lack:

- Harmonized local certifications/ conformity assessment procedures that is mutually/multilaterally recognized
- **Standardized** set of practices and procedures aligned to international market requirements to ensure compliance with international standards.
- Transparent inspection and certification systems which undermines international recognition (MRA/MLAs managed by BIPM, IAF, ILAC, OIML, ISO)
- Simplified trade environment to fulfil the TFA requirements that relate to SPS/TBT requirements.





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Effects of inefficient testing/inspection systems for Trade Facilitation

Border Rejections

Economic distance to markets is higher due to delays in conformity assessment procedures

Higher testing costs for the private sector

Lack of risk management approach associated to border operations & e-commerce

Loss of economic opportunity

Higher transaction costs

Longer time to access export markets.





Why are testing and inspection important to facilitating safe trade?

Having a product tested/inspected through an internationally recognized accredited laboratory adds value because it:

- Increases the speed at which goods pass through the border
- Ensures conformity assessment certificates are accepted on both sides of the border
- Reduces rejections of goods at the border
- Minimizes the opportunity cost
- Cuts trading costs for private sector, making them more sustainable.

Moreover, due to the importance of testing and inspection, it is a fundamental requirement foreseen by the TFA (Articles 5.3, 7, 8 and 12.1).

Key to Industry 4.0







UNIDO's Trade Facilitation Approach

Analyse why goods are rejected at borders and publish the findings in Trade Standards Compliance Reports (TSCRs) which identify and address the bottlenecks in order to further facilitate safe trade

Support the development of a sound country risk management system through assisting stakeholders to comply with technical regulations in order to enhance the transparency of trade procedures

Assist testing, inspection and certification entities to achieve internationally recognized accreditation thus enabling them to offer their services to clients at competitive prices. This results in a cut in the production costs of local companies and reduces delays at the border

Boost existing WTO TBT/SPS Enquiry Points active throughout developing regions by feeding in new information on TFA requirements and providing those involved in trading with access to an accurate and up to date information base

Support Small and Medium-sized Enterprises (SMEs) to overcome TBT and SPSrelated issues by tackling specific quality requirements in a particular value chain. This minimizes the economic distance travelled by goods in order to reach their market.

UNIDO's **Systematic Approach TOOL BOX**

Quality Infrastructure System

Consumers

BIPM, OIML, Regional **Bodies**

IAF, ILAC, Regional Bodies

ISO, IEC, ITU, Codex, IPPC, OIE, Regional **Bodies**

Quality Infrastructure **Institutions**

Governance Regulatory Framework

Good

Quality Policy

Quality **Promotion**

Accreditation

Metrology Conformity **Assessment Standardization**

Quality Infrastructure

Services

Testing Certification Inspection

Enterprises

Calibration & Verification

Enterprise

Upgrading

Upgrading

Awareness Rising

Value Chain

Capacity Building

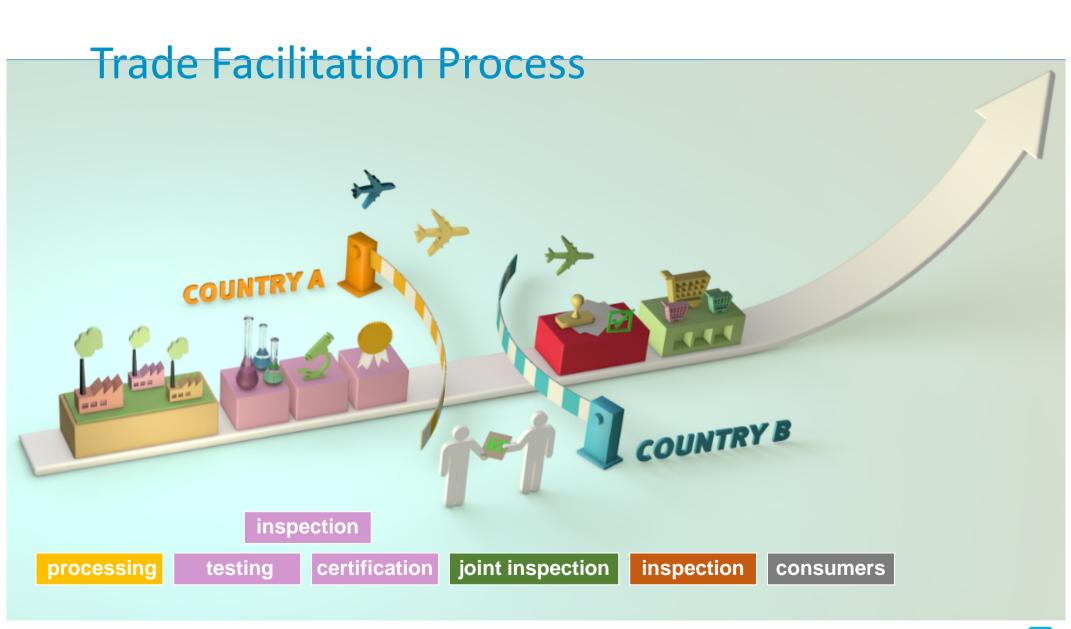
UNIDO 2015

WTO TBT, SPS and TF Agreements

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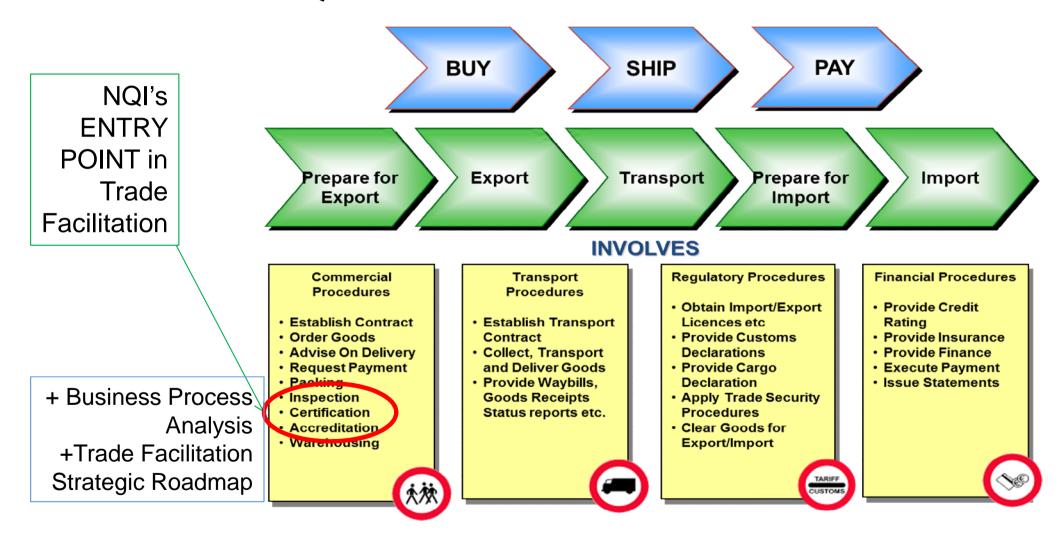








Where does NQI fit into Trade Facilitation?



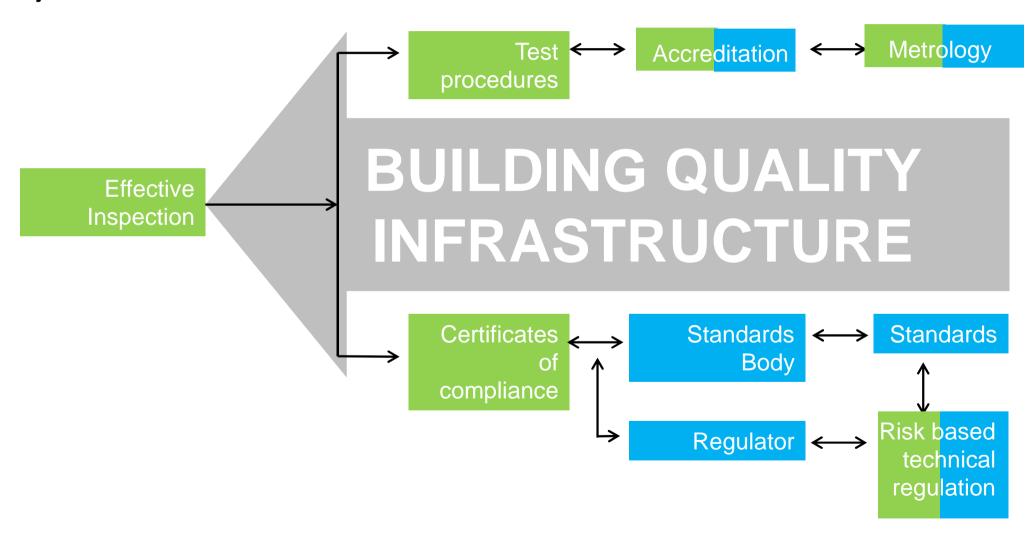
Note: UNECE Supply Chain model for TF





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Enabling a Sustainable and Effective Inspection System for TF







Impact

Effective Inspection can make the difference by:

- Meeting international market requirements
- Reducing economic distance to the market
- Reducing costs
- Improving competitiveness
- Ensuring consumer safety
- Enabling access to international markets





Highlights of TF related Projects (1/4)

Asian Region

Pakistan - Regional Trade

- Support trade within the region by increasing visibility on TBT, SPS and TFA related requirements fostering their convergence
- Establish a module in TBT and SPS to complement an existing trade facilitation portal
- Support recognition of equivalence and ultimately the harmonization of compliance requirements and conformity assessment services.

Sri Lanka

- Build national capacity to comply with food safety and quality requirements along the cinnamon value chain to facilitate export to the regional and global markets
- Contribute towards SPS compliance along the cinnamon value chain through the promotion of Good Manufacturing Practices (GMP) to increase market opportunities/ access to new markets.





Highlights of TF related Projects (2/4)

African Region

PCP-Ethiopia

Providing technical support to the Government of Ethiopia to improve trade logistics / trade facilitation by:

- Identifying relevant SPS/TBT matters in three priority sub-sectors: agro-industry, leather, textiles; also to improve competitiveness and market access, in partnership with UNCTAD / update of DTIS - ETH
- Conducting a pilot BPA for two products (leather), with a view to develop a sectoral Trade Facilitation Strategic Roadmap, in partnership with UNECE.

Malawi

Enhancing the ability to export goods by:

- Reducing the need for re-testing, re-inspection, re-certification abroad through acceptance of measurements, tests, conformity assessment results issued in Malawi
- Introducing a Risk Management approach in Regulatory Framework
- Cutting the time and costs of moving goods across borders
- Strengthening the Malawi Bureau of Standards and assisting in the implementation of the National Quality Policy and the National Export Strategy.





Highlights of TF related Projects (3/4)

Arab Region

Working with the League of Arb States (LAS) and the Arab Industrial Development and Mining Organization (AIDMO) to strengthen regional cooperation and integration under the Pan Arab Free Trade Agreement by:

- Setting up the Arab Regional Accreditation Cooperation (ARAC) to achieve mutual recognition among the Arab States
- Boosting regional trade in food and agricultural products through streamlined and harmonized conformity assessment procedures.







Highlights of TF related Projects (4/4)

Latin America and the Caribbean

- The Quality Infrastructure Council of the Americas (QICA) is being established as a platform of Regional Organizations (SIM, IAAC, COPANT) involved in quality infrastructure to provide a single point of contact for action and collaboration to support the expansion of national quality infrastructures in the region.
- The objective is to:
 - enhance the mutually supporting activities of standards development,
 accreditation, and scientific, industrial and legal metrology as the key elements
 to facilitate trade
 - achieve mutual recognition among the LAC countries
 - harmonize conformity assessment procedures





1966 - 2016

Testing and Inspection – the missing link for successful implementation of the Trade Facilitation Agreement





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