



PAGE 4: B.1) YOUR CASE STORY: TITLE AND DESCRIPTION

Q1: TITLE OF CASE STORY

Implementing Sanitary and Phytosanitary (SPS) measures to facilitate safe trade: Conclusions and recommendations from STDF research work in Southeast Asia and Southern Africa

Q2: CASE STORY ABSTRACT

The increasing attention on trade facilitation as a means to stimulate economic growth and competitiveness has generated a renewed focus on SPS measures, how they are applied to imports, exports and transit goods, and the extent to which, if any, these measures unnecessarily increase the cost (including time) of doing business. The STDF carried out research in selected countries in Southeast Asia and Southern Africa to analyse the implementation of SPS measures in practice for particular products. This work identified a number of win-win opportunities and good practices to improve the implementation of SPS controls in a way that protects health and facilitates trade. It also provides timely inputs to integrate SPS-related components in broader trade facilitation programmes.

Q3: LONG DESCRIPTION OF THE CASE STORY

1. INTRODUCTION

All countries maintain sanitary and phytosanitary (SPS) measures to protect domestic public health, plants, crops, livestock, and to gain and maintain market access, which is essential for economic growth, poverty reduction, food security and environmental protection. The WTO SPS Agreement establishes a framework of rules for how governments can apply food safety, animal and plant health measures, which may directly or indirectly affect international trade. It maintains the right of governments to provide the level of health protection they deem appropriate, but seeks to ensure that these rights are not misused and do not result in unnecessary trade barriers.

The implementation of SPS measures is challenging in any situation, and requires countries to have a certain level of capacity in place (e.g. adequate legislation, management capacity, scientific knowledge and skills, infrastructure). In many developing countries, the capacity and resources are limited. Other issues, linked to unclear SPS mandates, inadequate coordination, institutional rivalries and/or weak understanding of international standards and how to implement them, etc., sometimes exacerbate the challenge. Nevertheless, while the implementation of SPS measures understandably results in some trade transaction costs, which may be justified by the need to ensure health protection, the SPS Agreement (notably Article 8 and Annex C) requires that these costs should not be higher than necessary.

The increasing attention on trade facilitation as a means to stimulate economic growth and competitiveness has increased the focus on SPS measures, how they are applied to imports, exports and transit goods, and the extent to which, if any, such measures unnecessarily increase the cost (including time) of doing business. At the same time, the recent adoption of the WTO Trade Facilitation Agreement, and launch of new technical cooperation programmes to facilitate trade, provide additional opportunities to build and strengthen SPS capacity.

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2. STDF WORK ON SPS MEASURES AND TRADE FACILITATION

In 2013 the Standards and Trade Development Facility (STDF) initiated research in Southeast Asia and Southern Africa on the linkages between SPS measures and trade facilitation. The objectives of this work were to: (i) raise awareness about the synergies between the implementation of SPS measures and trade facilitation; (ii) identify key needs, opportunities and good practices to improve the implementation of SPS measures in a way that ensures the appropriate level of health protection while minimizing trade transaction costs; and (iii) make recommendations to enhance future work and technical cooperation focused on SPS capacity building and trade facilitation.

The STDF research analysed experiences and good practices to improve the implementation of SPS controls in way that facilitates safe trade, while minimizing transaction costs. The research was based on desk analysis and interviews with representatives of the public and private sector in selected countries in Southeast Asia and Southern Africa. It examined the SPS measures applied to selected agri-food products (e.g. certain field crops, fruit, vegetables, meat products, fisheries) by exporting and importing countries, and how they are implemented in practice. In addition, it considered ongoing initiatives to improve SPS protection and reduce trade transaction costs by simplifying, standardizing and/or harmonizing SPS measures and procedures, and/or enhancing collaboration between SPS authorities and other agencies involved in trade. While the focus of the research was on the formal costs of handling official trade, attention was also paid to informal costs, as well as unrecorded and informal trade, wherever possible.

The research concluded that countries can make huge progress in reducing SPS trade transaction costs, while simultaneously strengthening or reinforcing the protection of human, animal and plant health, through proper implementation of the WTO SPS Agreement. It found a number of win-win opportunities to enhance health protection and, at the same time, facilitate trade. For instance, it identified options to address procedural obstacles associated with the implementation of SPS measures, which do not always add to health protection while increasing the costs of trade. Such obstacles include complex and lengthy procedures, excessive or duplicate document requirements, high formal and informal fees, lack of transparency, arbitrary and unpredictable behaviour, repeated or redundant border inspections and long waiting times.

Recommendations of the work include simple reforms (i.e. "low-hanging fruit") that can be carried out on a priority basis. For instance, improved transparency and fewer, more uniform document requirements can easily reduce waiting times at borders. Adjusting the frequency of SPS inspections to the level of risk presented by specific products and/or traders can make SPS controls more efficient and optimise resource allocation. Incentive structures should be reformed, so that unnecessary regulatory activity is not rewarded with revenue. Other recommendations (e.g. Coordinated Border Management initiatives, Electronic Single Window systems and One Stop Border Posts) are likely to require more time and resources, and should be a longer-term objective for governments.

The conclusions back up the findings of the World Bank's Logistics Performance Indicators report, which suggests that agencies responsible for implementing SPS controls are falling behind customs and other border agencies in modernizing their procedures, and need to catch up. It has also helped to identify promising approaches to improve the implementation of SPS measures in a way that facilitates trade, which offers timely support to address SPS-related issues in broader trade facilitation programmes. SPS authorities in developing countries are encouraged to use the opportunities generated by new trade facilitation projects and programmes to garner more political support and leverage funds for SPS capacity building.

Some of the countries that participated in the STDF research shared information in WTO's SPS Committee on how they are implementing the recommendations. The Government of Lao PDR, for example, is using some of the recommendations to reform SPS legislation and improve SPS border controls under a Multi-Donor Trust Fund, managed by the World Bank. It has also ensured that representatives from SPS authorities are included in a national committee, alongside other border agencies. In the Philippines, the conclusions and recommendations of the STDF research are being used to inform ongoing SPS reform efforts.

Q4: Please add here web links to project/programme materials.

<http://www.standardsfacility.org/facilitating-safe-trade>

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Q5: YOUR CONTACT DETAILS	
Name:	Melvin Spreij
Ministry/Institution/Organization:	Standards and Trade Development Facility
Country:	Switzerland
Email Address:	STDFSecretariat@wto.org
Q6: FUNCTION	
	Other (please specify) The STDF is a global partnership established by FAO, OIE, WHO, the World Bank and WTO
Q7: FUNDING PARTNER Tick the appropriate box(es)	
	Bilateral donor, Multilateral organization
Q8: Additional information	
The STDF is a global partnership between the WTO, the FAO, the OIE, the World Bank and the WHO. It supports SPS capacity building in developing countries as a means to improve their human, animal and plant health status and ability to gain and maintain access to markets.	
Q9: START DATE OF PROJECT/PROGRAMME	
	STDF research on the implementation of SPS measures to facilitate safe trade started in 2013.
Q10: STATUS OF PROJECT/PROGRAMME	
	On-going
Q11: DURATION OR, IF ON-GOING, EXPECTED DURATION OF PROJECT/PROGRAMME	
	1-3 years
Q12: COST OF PROJECT/PROGRAMME	
	Between US\$50,000 - US\$200,000
Q13: Additional information	
The STDF research work on implementing SPS measures to facilitate safe trade was carried out in Southern Africa and Southeast Asia. The work in Southern Africa was implemented in collaboration with COMESA and Trade Mark Southern Africa. The Inter-American Development Bank (IDB) carried out a related study on the Quarantine Control Situation in Latin America, in coordination with the STDF. Further information on this work, including copies of final reports, is available on the STDF website: http://www.standardsfacility.org/facilitating-safe-trade	
Q14: TYPE OF FUNDING FOR PROJECT/PROGRAMME	
	Grant

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Q15: PROJECT/PROGRAMME TYPE

Multi-country (i.e. 2 or more countries)

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Q16: SINGLE COUNTRY/CUSTOMS TERRITORY

Respondent skipped this question

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Q17: REGION(If the region does not appear in the drop down menu, please enter manually.)

Respondent skipped this question

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Q18: MULTI-COUNTRY(Enter all countries or customs territories)

The STDF research on implementing SPS measures to facilitate safe trade was carried out in Southeast Asia (Lao PDR, Cambodia, Thailand and the Philippines) and Southern Africa (Botswana, Malawi, Mozambique, South Africa, Zambia and Zimbabwe).

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Q19: CASE STORY FOCUS Tick the appropriate box(es)	REDUCING TRADE COSTS FOR MERCHANDISE GOODS , Other border agency reforms, Support for compliance with non-tariff measures (including standards) , Other (please specify) The STDF research on the implementation of SPS measures to facilitate safe trade examined specific SPS measures applied to selected agri-food products (e.g. field crops, fruit, vegetables, meat products, fisheries) by exporting and importing countries, and how they are implemented in practice. The focus was to identify key needs, opportunities and good practices to improve the implementation of SPS measures in a way that ensures the appropriate level of health protection, while minimizing trade transaction costs.
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Q20: HOW SUCCESSFUL WAS THE PROJECT/PROGRAMME Tick the appropriate box(es)	Very successful
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Q21: WHAT WERE THE OUTPUTS OF THE PROJECT/PROGRAMME Tick the appropriate box(es)	Other (please specify) The STDF work was carried out as a research project. The direct outputs include the identification of key needs, opportunities and good practices to improve the implementation of SPS measures in a way that ensures the appropriate level of health protection while minimizing trade transaction costs.
Q22: Additional information(maximum 300 words)	
The STDF work was carried out as a research project. The direct outputs include the identification of key needs, opportunities and good practices to improve the implementation of SPS measures in a way that ensures the appropriate level of health protection while minimizing trade transaction costs. This work also served to raise awareness about the synergies between the implementation of SPS measures and trade facilitation, and produced recommendations that may be used to enhance future work and technical cooperation focused on SPS capacity building and trade facilitation.	

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Q23: WHAT WERE THE OUTCOMES OF YOUR PROJECT/PROGRAMME Tick the appropriate box(es)	Other (please specify) See below
Q24: Additional information(maximum 300 words)	
<p>Some of the countries that participated in the STDF research work are actively implementing the recommendations and good practices identified. The Government of Lao PDR, for example, is making use of a Multi-Donor Trust Fund, managed by the World Bank, to run a SPS Legal Reform and a Non-Tariff Measures Project. Both initiatives draw inspiration from the findings of the STDF research to improve SPS legislation and border controls. In Lao PDR, representatives from SPS authorities as well as other border agencies are included in a national committee to ensure that upcoming reforms take stock of all stakeholders' interests. In the Philippines, the government has used the findings and recommendations of the STDF research to inform ongoing efforts to strengthen SPS capacity. SPS authorities in other countries are encouraged to consider and apply relevant recommendations of this work to enhance the implementation of SPS measures in a way that facilitates trade.</p>	

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Q25: WHAT WERE THE IMPACTS OF THE PROJECT/PROGRAMME Tick the appropriate box(es)	Other (please specify) See below
Q26: Additional information(maximum 300 words)	
<p>It is too early to identify and/or assess the impacts of the STDF research on the implementation of SPS measures to facilitate safe trade. Nevertheless, ongoing efforts by some of the countries involved in the research work to implement some of the recommendations are expected to generate important impacts in terms of health protection and reduced transaction costs in trade.</p>	

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Q27: LESSONS LEARNT Tick the appropriate box(es)	Importance of good project design, Importance of alignment with national priorities, Importance of engagement by private sector, Importance of political will and commitment by project partner
Q28: Additional information(maximum 300 words)	<i>Respondent skipped this question</i>

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Q29: PROJECT OR PROGRAMME MONITORING AND EVALUATION FRAMEWORK Tick the appropriate box(es)

Other (please specify)

This work was implemented as a small research project and therefore did not have its own stand-alone monitoring and evaluation framework. The STDF programme is independently evaluated every five years and this research work will be considered in this context.