Multiyear Expert Meeting on

Transport, Trade Logistics and Trade Facilitation, Seventh session: Trade facilitation and transit in support of the 2030 Agenda for Sustainable Development

7 to 9 May 2019

Quality Infrastructure
For Trade Facilitation Toolkit (QI4TF)

Presentation by

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Quality Infrastructure For Trade Facilitation Toolkit (QI4TF)

Frank Van Rompaey, UNIDO Representative in Geneva

Multiyear Expert Meeting on Transport, Trade Logistics and Trade Facilitation

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Quality Infrastructure and Trade Facilitation

Quality Infrastructure System

Demand-driven approach to Quality Infrastructure development to facilitate trade
Quality Infrastructure (QI) and Trade Facilitation

- Trade facilitation, relies on the proper operation of National QI System, especially testing, inspection and certification, to demonstrate a product’s compliance to target market requirements
- Developing countries often do not have a functional quality infrastructure in place, resulting in:
  - Lack of recognition of conformity assessment certificates across borders – tested once, accepted everywhere
  - Need for double testing and costs associated with it
  - No standardized set of practices and procedures aligned to international market requirements to ensure compliance with international standards
  - Lack of transparent inspection and certification systems which undermines international recognition (MRA/MLAs managed by BIPM, IAF, ILAC, OIML, ISO)
  - Cannot meet TBT/SPS requirements which will act as a barrier to trade
- An effective and efficient quality infrastructure system supports the implementation of the TFA

TFA Articles directly related to QI:
- Article 5.3 Laboratory testing procedures and contacts available
- Article 10.3 Use “relevant international standards” as the basis for their import, export and transit formalities and procedures

QI4TF tool Objective and Structure
Rationale of QI Tool for Trade Facilitation

What capacity is available in the country to export product to country B?

1. National/Public Conformity Assessment Service Capacity

2. Industry/Private value chain capacity

What are the Conformity Assessment Service (CAS) requirements to access country B?

“Tested once – accepted everywhere”

Quality Infrastructure 4 Trade Facilitation Toolkit (QI4TF)

Aim of diagnostic tool: Identify and facilitate the prioritization of the most critical gaps in the national quality infrastructure system that impedes trade and the effective implementation of the WTO TFA.

Target: National Trade Facilitation Committee (NTFC) and any institution vested with the responsibility of Trade Facilitation in a given country to carry out a self-assessment and prepare a roadmap for implementation.

Impact:
- Facilitate informed national investment decision making.
- Results can be integrated into Trade Facilitation Action plans and other strategic interventions.

1 Government Capacities

2 Industry Capacities
Tool Structure

Expert group meetings conducted to prepare toolkit

<table>
<thead>
<tr>
<th>Quality Infrastructure 4 Trade Facilitation (QI4TF)</th>
<th>Key Capacity 1: Government and Legislative capacities</th>
<th>Key Capacity 2: Institutional capacities</th>
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<th>Industry Capacity</th>
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<td>Food business operator and related trade capacities</td>
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<td>HACCP systems</td>
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<td>Cooperative organisations</td>
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<td>Freight forwarding companies</td>
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<td>National Trade Bodies and Chamber of Commerce</td>
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<td>Capacity to take part in international trade shows and exhibitions</td>
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Pilot application and E-tool

2019-05-09
Where we want to go

Paper Tool → Electronic Tool to be applied in Workshop → Generates automatic report of prioritized needs

REPORT
In order to facilitate trade, for selected value chain, as agreed with key stakeholders should focus on:
1.
2.
3.
4.

Results feed into:
1. National Trade Facilitation Action Plan
2. National development plans
3. Sectoral development plans

E-tool under development

Where we stand

- Draft toolkit available
- Pilot activities concluded
  - 1st pilot application workshop held in Malawi, 29-30 May 2018
  - 2nd pilot application workshop held in South Africa, 28-29 August
- Results validation workshop in South Africa and Malawi completed: January 2019
- Development of Electronic-tool
- Pilot application of E-tool

- QI4TF 1: 5 Sections
- QI4TF 2: 6 Sections
- Total number of questions: 218
Pilot 1: Malawi

- Pilot activity organized with the support of the NTFC for agro-processing sector
- NTFC identified two national tool coordinators to support UNIDO:
  - Industry representative: Malawi Confederation of Chamber of Commerce (MCCCI)
  - Government representative: Ministry of Industry, Trade and Tourism (MoITT)
- Workshop held in Malawi, 29-30 May 2018 to sensitize stakeholders about the upcoming data collection activity
  - 29 representatives from public (60%) and private sector (40%)
- Responses for the tool collected by the tool coordinators – completed end of July (1.5 months)
- Conducted results validation workshop in January 2019 to review the findings and prioritize the gaps collectively
- Tool improved based on pilot experience and feedback collected

Pilot 2: South Africa

- Pilot activity organized with the support of the Department of Agriculture, Forestry and Fisheries (DAFF) for the essential oils value chain
- DAFF identified two national tool coordinators
  - Industry representative from the Southern African Essential Oil Producers Association (SAEOPA)
  - Government representative from DAFF
- Workshop held in South Africa, 28-29 August to sensitize stakeholders about the upcoming data collection activity
  - 38 representatives from public (50%) and private sector (50%)
- Responses for the tool collected by the tool coordinators – end of September (1 Month)
- Conducted results validation workshop in January 2019 to review the findings and prioritize the gaps collectively

"the toolkit is detailed and focused"
"excellent for industry and government to have an opportunity to caucus"
"the toolkit is very useful, especially EU buyers need the following documentations and additional requirements"
Currently converting paper tool to Electronic Tool

Paper Data collection → Manually mapping into database → Prioritization using paper → List of priorities prepared after workshop

Data collection: using e-tool → Display of aggregated results → Prioritize gaps using e-tool → List of priorities available instantly during workshop

Step 1: Data collection, remotely or workshop with support of NTFC

K1: Government and legislative capacity
K2: Institutional capacity
K3: Operational capacity

FOOD AND PUBLIC HEALTH CAPACITIES
1. KEY CAPACITY 1
2. KEY CAPACITY 2
3. KEY CAPACITY 3

Requirements:
- 1. Government and legislative capacity needs to design and implement a national strategy to address the threats of food insecurity and malnutrition.
- 2. Institutional capacity needs to develop and implement strategies to ensure the effective implementation of national policies and programs.
- 3. Operational capacity needs to support the implementation of national strategies and programs at the local level.
Step 2: Complete data for all sections, all participants

Repeat for all chapters – 100% complete

Step 3: Complete prioritization of issues of all orange bars

Prioritize the issues identified by the group for each section
Step 4: Display aggregated prioritization of group

Average of group → Serves as roadmap for NTFC or others

Way Forward
Tool development roadmap

1 Scope tool

2 Design survey draft in collaboration with key experts

3 Pilot tool in Malawi

4 Improve tool based on Pilot 1

5 Pilot in South Africa

6 Review survey and methodology based on Pilot 1 and 2

7 Conduct results validation workshop in SA and MW

8 Develop e-tool

9 Validate tool with key partners

10 Pilot e-tool in Tanzania and other countries

11 Review based on pilot experience

12 Prepare for global dissemination

THANK YOU.