Launching Event of the National Platform on Private Sustainability Standards

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The Role of the United Nations Forum on Sustainability Standards (UNFSS)

Lorena Jaramillo, UNCTAD secretariat, Geneva

Honourable Madame Rita Teaotia, Secretary of Commerce, Ministry of Commerce and Industry

Honourable Mr Arvind Mehta, Additional Secretary, Ministry of Commerce and Industry,

Honourable Dr. Manish Pande,

Honourable Dr. R.P Singh, Secretary General, QCI,

Honourable Dr Harsha Singh.

Distinguished guests, colleagues, friends,

At the outset, allow me to convey to all present governmental representatives, the participants from the private sector and civil society the special words of congratulation of the Secretary-General of the UN Conference on Trade and Development (UNCTAD), Dr. Mukhisa Kituyi for launching the National Platform on Private Sustainability Standards. The National Platform can count on the full support of the UN Forum on Sustainability Standards (UNFSS), which UNCTAD initiated, but that has become an almost UN wide initiative of all UN organizations and programmes, which deal with different aspects of private sustainability standards.

The Secretary General of UNCTAD regrets very much that he cannot be here today. The Deputy Secretary General of UNCTAD, Mr Joakim Reiter, was in New Delhi last week and met with the Secretary of Commerce, Ms Teaotia, and the Additional Secretary, Ministry of Commerce and Industry, Mr Mehta, and confirmed the UNFSS full support.

The Secretary General of UNCTAD Dr Kituyi asked me to read out his statement:

Ladies and Gentlemen,

The United Nations Forum on Sustainability Standards (UNFSS) is a joint initiative of the UN system.

It brings together the Food and Agriculture Organization of the United Nations (FAO), the International Trade Centre (ITC), the United Nations Conference on Trade and Development (UNCTAD), the United Nations Environment Programme (UNEP) and the United Nations Industrial Development Organization (UNIDO).

UNFSS is the emerging prime intergovernmental forum for the discussion of private sustainability standards. This discussion has become particularly strong after the WTO was unable to reach a consensus on a regular review of private standards.

While de jure such standards are private, many of these standards are commercially mandatory or even constitute a license to operate in a particular market. They are sometimes even mentioned in specific legislation in some countries. This underlines that private standards might in reality not be purely private.

Most importantly, private sustainability standards play a pivotal role in global value chains, where market power and standardization matter as much, if not more than price.

The UN Forum on Sustainability Standards aims at dialogue, exchanging national experience and analyzing related meta-governance issues related to using and complying with private standards.

The UNFSS is conceived to become the springboard for the development of a coherent program of public policy and private initiative on making private sustainability standards work for the benefit of all.

UNFSS thanks the governments of Germany, Sweden and Switzerland for their support. In particular we thank the Swiss State Secretariat for Economic Affairs SECO for financial support of activities linked to the Indian national platform.

On behalf of the steering committee of the UNFSS, and therefore of all five UN partner organizations of UNFSS, I wish you a fruitful dialogue. Together we can usher into tangible progress better access to export markets, improved competitiveness and product quality, as well as harness the developmental co-benefits of private sustainability standards.

Now after sharing with you Dr. Kituyi's message, please allow me to briefly expand on his message on behalf of the work programme we are undertaking to support UNFSS activities.

The UNFSS aims to bring public policy approaches to the service of private standards with goal of:

- (i) Facilitating access to foreign markets;
- (ii) promoting innovation and improving competitiveness;
- (iii) achieving specific sustainability objectives, including poverty reduction and the sustainable use of resources services; while
- (iv) reducing potential developmental and market-access hurdles, as well as
- (v) averting prohibitive compliance costs and marginalization of small-scale producers.

In order for private standards to make an important contribution to sustainable market transformation, we must recognize the most important drivers and barriers for standard uptake by producers and the critical success factors for mainstreaming these standards.

The UNFSS work is based on the idea that government commitment, flanking support, the existence of an enabling (policy and capacity) environment and a constructive public-private dialogue are necessary for the successful implementation of private standards at national level in developing countries. These cannot be substituted by external support such as from development agencies, NGOs and other organizations.

In addition, our work suggests that that the challenges created by private sustainability standards cannot be solved through trade policy alone. We believe complementary sectorial policy, the building of technical and institutional capacity -- including standards, metrology, testing and quality assessment infrastructure -- as well as supportive/flanking measures, policy coherence, policy measures that lead to greater internalization of the true social and environmental costs, and the promotion of multi-stakeholder dialogue are also of fundamental importance.

Eliciting the political will to address specific problems – rather than just raise general objections – requires a realistic and informed assessment of the situation. Moreover, a pro-active approach can enable developing countries not only to minimize potential costs associated with adjustment to private standards, but also to maximize related economic, social and environmental benefits.

For the next few years, UNFSS activities will fall into three clusters:

- a) First, a multilateral intergovernmental dialogue on pro-active policies aims to maximize the effective use of private sustainability standards and minimize their costs and risks.
- b) Second we will underpin this dialogue by thematic analysis and by work in three working groups
 - They will assess the impact of the use and compliance with private standards;
 - They will enhance the interoperability of private standards aimed at reducing compliance, control and certification costs; and
 - They will support, at specific request, some emerging sustainability initiatives.
- c) Finally, we will support the creation of national platforms on private sustainability standards.

The main objective of the UNFSS-supported national platforms is to provide a neutral forum for exchange and learning on private sustainability standards in the concerned countries, to link the demand of national stakeholders for information and exchange of experience on private standards with international expertise and to build a more institutionalized structure to strengthen communication.

In addition, the platforms aim to gather and exchange information on key issues and concerns related to private standards from a national perspective and assessing the information needs of decision-makers and other stakeholders. The platforms will identify key areas of research interest and will collaborate with selected national, regional and international organizations to conduct such research.

Thank you very much for kind attention.