



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION



UNIDO's Trade Standards Compliance Analyses and Reports: The Case of Latin America and the Caribbean

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Trade Standards Compliance Analysis and Reports

Rationale:

- Policy guidance for all development partners
- Benchmarking of compliance capacity
- Increasing aid efficiency, better ('smarter') technical assistance

Import rejection analysis: EU, USA, Japan, Australia

Export losses estimation: for all 4 markets

Quality Infrastructure (QI) survey

Corporate Buyers' Compliance Confidence survey

Emerging Issues :

TSCR 2010: FAO, ILO, IPPC, ISO, UNEP, WTO

TSCR 2015: major retailers (AEON, Mondelēz, GFSI), certification organizations (Fairtrade, MSC), NGOs (WWF, Oxfam), etc.

www.unido.org/tradestandardscompliance

Regional TSCRs for Asia (with IDE-JETRO) and Latin America and the Caribbean (with Inter-American Development Bank, IDB)

TSC Footprints

Web tool/database (with IDB)





Rationale of TSC Reports

Objectives of Report:

- Provision of policy guidance for all development partners
 - More transparency on trade standards challenges
 - Benchmarking of compliance capacity
 - Increasing aid efficiency
- Support for informed development policy decision-making
- Better (“smarter”) design of technical assistance programmes

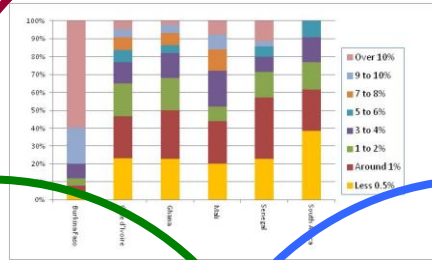
Contribution of the Report:

- Analysis of import rejections
- Estimation of export losses
- Identification of developing countries’ ability to assess & prove compliance

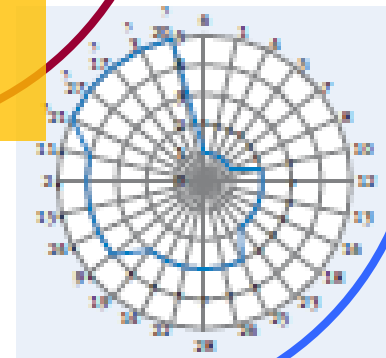
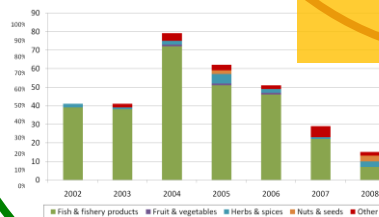
Three Lenses on Trade Standards Compliance Capacity

Towards a Trade Standards Compliance Observatory –
(Work in Progress)

**Buyer
Compliance
Confidence Radar**
250 Global
Buyers



**Trade Standards
Compliance
Benchmarking**



**Quality
Infrastructure
Performance
Survey**

49 Countries

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



Lens 1: Import Rejection Data as a Measure of Compliance Performance

- Concern that **developing countries struggle in complying** with food safety and quality requirements in industrialised country markets
- Non-compliance can **result in rejection** of products/shipments by public authorities in the importing country
- Such import rejection data, thus, present one **indicator of compliance challenges** faced by agri-food exporters to international markets
- Import rejections give indications on 1) the scale and root causes of compliance challenges of developing countries, and 2) their capacity to comply with technical regulations in certain markets or sectors
- UNIDO has rejection data from **4 export markets**:
 - European Union, United States, Japan, Australia
- Different monitoring systems (by different public authorities) are not easily comparable and compatible across markets – requires **harmonization** of datasets
- Various factors can influence level of rejections:
 - Not only compliance capacity (which is of particular interest here) but also
 - Level of exports and Frequency of inspection by importing country authority



Lens 2: Corporate Buyer Compliance Confidence Survey

- Aim is to get from buying/importing companies their perceptions on and assessment of compliance capacity and performance of exporting developing countries
- Provides another indicator of compliance problems faced by developing countries in export markets for key agri-food exports
- Complements analysis of rejection data by covering:
 - Official requirements not enforced through border inspections
 - Private standards
 - Where trade does not take place
- Examines food safety compliance in context of other factors influencing export performance
- Survey undertaken among corporate buyers in export markets such as the European Union, United States, Japan, Australia and Canada for:
 - Fish and fishery products (n=159)
 - Fresh fruit and vegetables (n=196)
- Buyers asked for their assessment of compliance capacity of selected pilot countries:
 - ECOWAS + Mauritania
 - South Africa

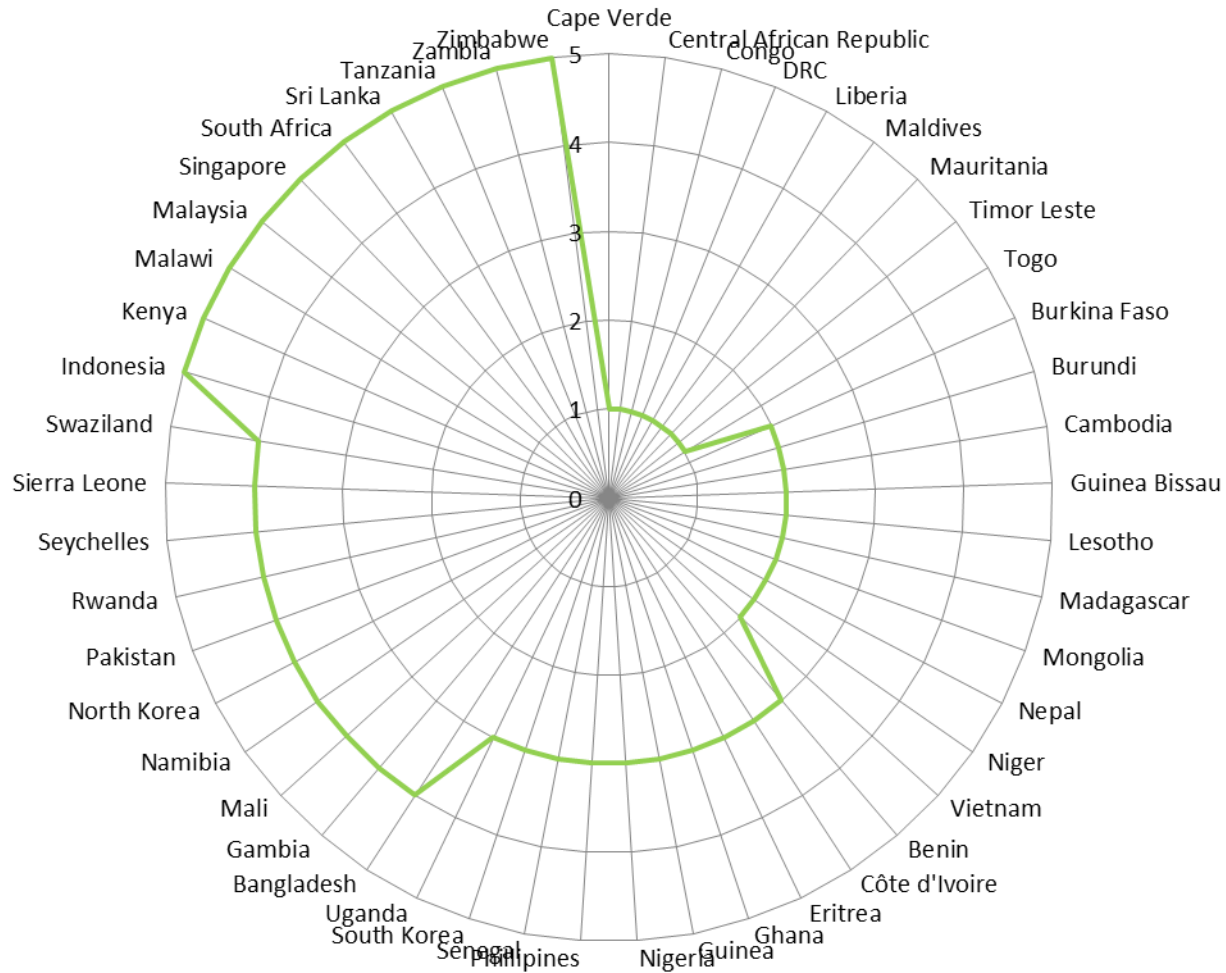


Lens 3: Trade Standards Compliance Capacity Indices

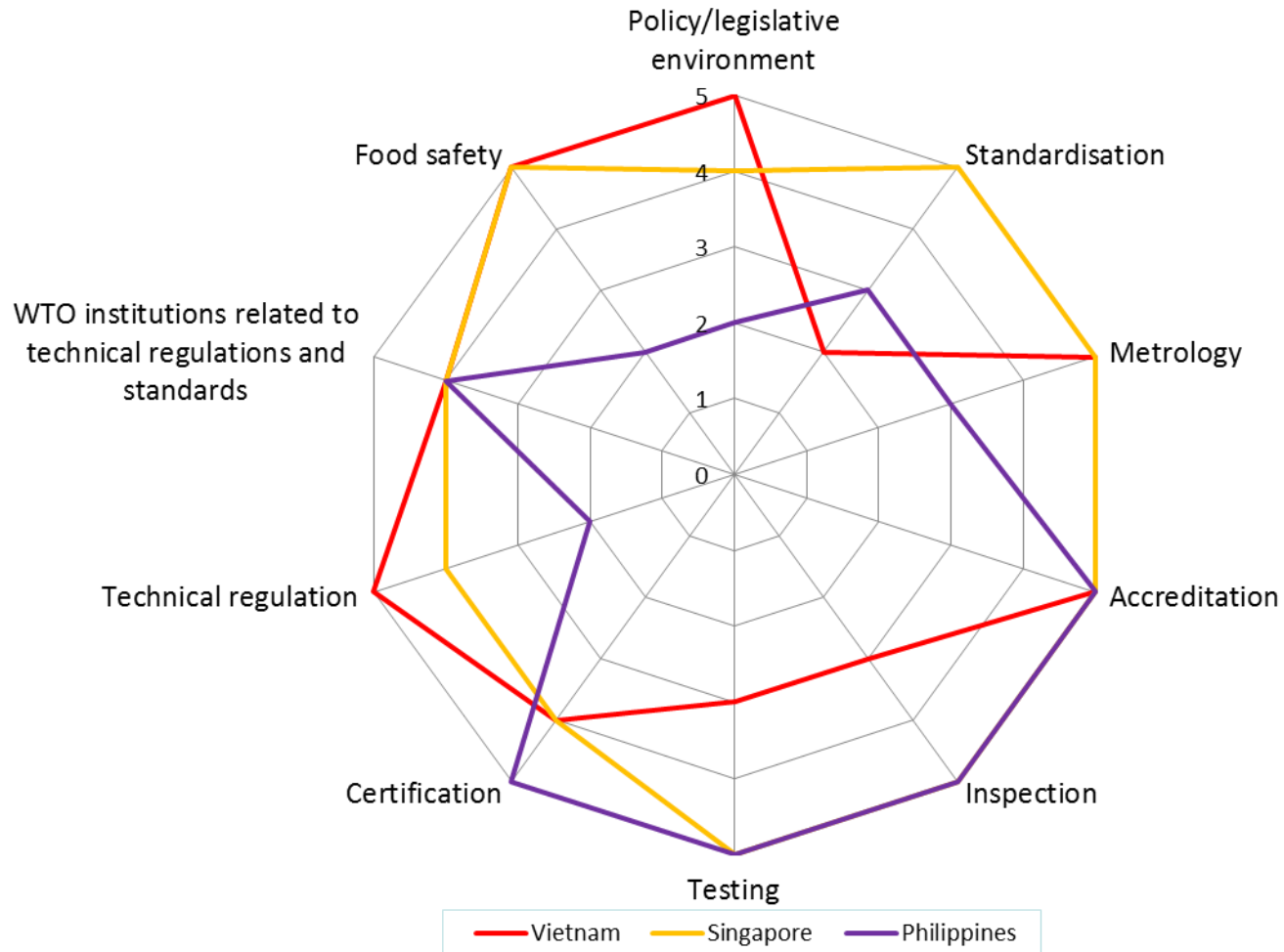
- Get country self-assessment about capacity/performance of its Quality Infrastructure (QI) and related services
- Provide measure of relative capacity in 10 key QI areas / compliance functions:
 - Quality policy/legislative environment
 - Standardisation
 - **Technical regulations**
 - Metrology
 - Accreditation
 - Inspection
 - Testing
 - Certification
 - **Food safety**
 - WTO- related institutions respective to technical regulations/standards
- For each capacity function, an index is developed
- Each index consists of indicators of the underlying 'assets'
- Data collected through QI survey with responses from 49 countries in Africa and Asia



Array of Standardization Capacity



Array of Compliance Capacity in Vietnam, Philippines & Singapore



Linkages with NTM-database

Data Availability

Caution: partly «old Data»
Red colour indicates work in progress

Latin America and the Caribbean	North America	Europe and Central Asia	Middle East and North Africa	Sub-Saharan Africa	South Asia	East-Asia and the Pacific
Argentina	US	E.U.	Egypt	Burkina Faso	Afghanistan	China
Bolivia	Canada	Kazakhstan	Lebanon	Cote d'Ivoire	India	Japan
Brazil		Russia	Morocco	Guinea	Nepal	Hong Kong, C
Chile		Turkey	Tunisia	Madagascar	Pakistan	Australia
Colombia			Algeria	Mauritius	Philippines	New Zealand
Costa Rica			Jordan	Namibia	Sri Lanka	All ASEAN
Cuba			Palestine	Senegal		
Ecuador				Tanzania		
Guatemala				Kenya		
Jamaica				Malawi		
Mexico				Rwanda		
Paraguay				Nigeria		
Peru				Benin		
Uruguay				Cape Verde		
Venezuela				Gambia		
El Salvador				Ghana		
Honduras				Guinea Bissau		
Nicaragua				Liberia		
Antigua and Barbuda				Mali		
Barbados				Mauritania		
Dominica						
Suriname						
Trinidad and Tobago						

*Non-tariff measures and
SPS requirements*

STDF WORKING GROUP

WTO, 24-25 March 2015



Technical Regulation Capacity Index

- ◆ Whether a national technical regulation framework common to all regulatory agencies has been implemented.
- ◆ Whether a central office responsible for the overall technical regulation framework has been established.
- ◆ Whether there is an explicit regulatory reform programme under way.

Food Safety Capacity Index

- ◆ Whether there is a national policy for food safety and quality.
- ◆ Whether there is a food safety law/legislation.
- ◆ Whether food safety regulations and standards are harmonized with the international standards, guidelines and recommendations of Codex Alimentarius.
- ◆ Whether a national entity has been established to manage food safety issues for:
 - fresh produce (incl. plants & seeds)
 - food processing
 - market place surveillance
 - storage and transport
- ◆ Whether laboratories are available for food safety testing⁴⁴.
- ◆ Whether there is capacity for food safety-related inspection of food processing establishments.
- ◆ Whether there is capacity for food safety-related certification.



thank you!



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