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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Representative to the United Nations and other international organizations in Geneva, United Nations Industrial Development Organization

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INDUSTRY, INNOVATION AND INFRASTRUCTURE

Quality Infrastructure For Trade Facilitation Toolkit (QI4TF)

Frank Van Rompaey, UNIDO Representative in Geneva

Multiyear Expert Meeting on Transport, Trade Logistics and Trade Facilitation

Geneva 7-9 May 2019

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Quality Infrastructure and Trade Facilitation

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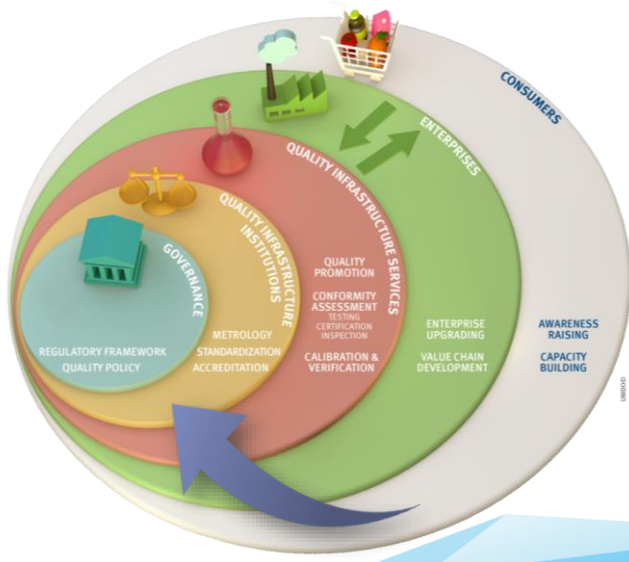
Quality Infrastructure System

Demand-driven approach to Quality Infrastructure development to facilitate trade

English
French
Spanish
Arabic
Russian



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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

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QI4TF tool Objective and Structure

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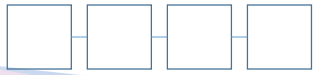
Rationale of QI Tool for Trade Facilitation

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

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

1. National/Public Conformity Assessment Service Capacity

2. Industry/Private value chain capacity



"Tested once – accepted everywhere"

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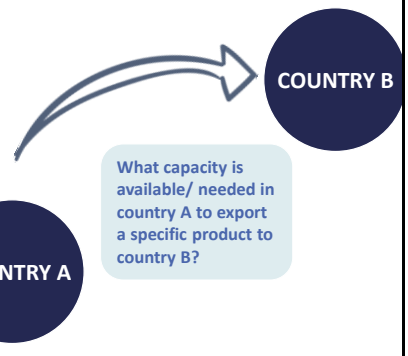
Quality Infrastructure 4 Trade Facilitation Toolkit (QI4TF)

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

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Tool Structure

Expert group meetings conducted to prepare toolkit

Government Capacity

Quality Infrastructure 4 Trade Facilitation (QI4TF)

/Industry Capacity

	Key Capacity 1: Government and Legislative capacities	Key Capacity 2: Institutional capacities	Key Capacity 3: Operational capacities
Food safety and public health			
SPS			
National laboratory			
Customs Capacities			
Human Capital capacities			

	Key Capacity 1: Government and Legislative capacities	Key Capacity 2: Institutional capacities	Key Capacity 3: Operational capacities
Food business operator and related trade capacities			
HACCP Systems			
Co-operative organisations			
Freight forwarding companies			
National Trade Bodies and Chamber of Commerce			
Capacity to take part in international trade shows and exhibitions			

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Pilot application and E-tool

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Where we want to go

Paper Tool → **Electronic** Tool to be applied in **Workshop** → Generates automatic report of prioritized needs → Results feed into:

1. **National Trade Facilitation Action Plan**
2. **National development plans**
3. **Sectorial development plans**

REPORT

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

E-tool under development

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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**

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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

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Pilot 2 : South Africa

"the toolkit provides an opportunity to take the resources and develop it for industry – very helpful"

- 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 "

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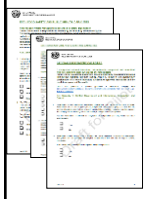
Currently converting paper tool to Electronic Tool

Paper Data collection

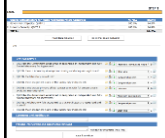


Manually mapping into database

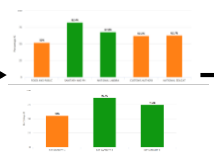
Prioritization using paper

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

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

STEP 1.

0%

Quality Infrastructure for Trade Facilitation Pillars Capacities	% FILL	SCORE
1. Government Capacity: QI4TF 1	0.0%	0.0%
2. Industry Capacity: QI4TF 2	0.0%	0.0%
TOTAL		0.0%

Government Capacity: QI4TF 1

1. FOOD AND PUBLIC HEALTH CAPACITIES
2. SANITARY AND PHYTOSANITARY CAPACITIES
3. NATIONAL LABORATORY CAPACITIES
4. CUSTOMS AUTHORITY CAPACITIES
5. NATIONAL EDUCATION CAPACITIES

Industry Capacity: QI4TF 2

1. FOOD BUSINESS OPERATOR AND RELATED TRADE CAPACITIES
2. HACCP SYSTEMS (Hazard Analysis and Critical Control Points)
3. CO-OPS
4. FREIGHT FORWARDING COMPANIES
5. NATIONAL TRADE BODIES AND CHAMBERS OF COMMERCE
6. CAPACITY TO TAKE PART IN INTERNATIONAL TRADE SHOWS AND EXHIBITIONS

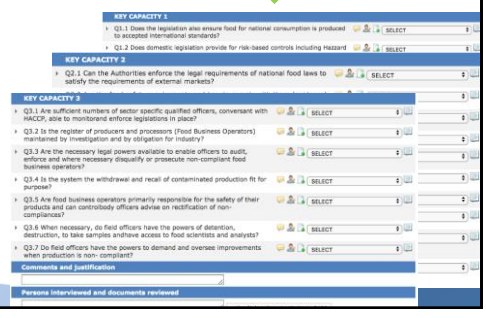
K1: Government and legislative capacity

K2: Institutional capacity

K3: Operational capacity

FOOD AND PUBLIC HEALTH CAPACITIES

1. KEY CAPACITY 1
2. KEY CAPACITY 2
3. KEY CAPACITY 3



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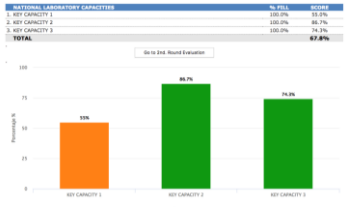
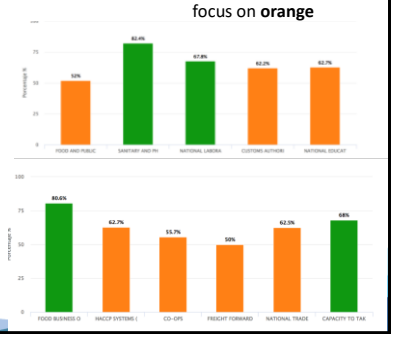
Step 2: Complete data for all sections, all participants

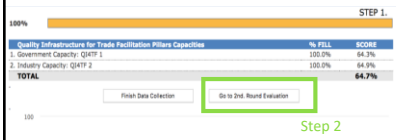
Results of each chapter



Repeat for all chapters – 100% complete

Displays group aggregate results → focus on **orange**





Step 2

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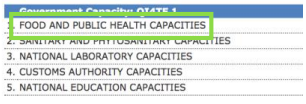
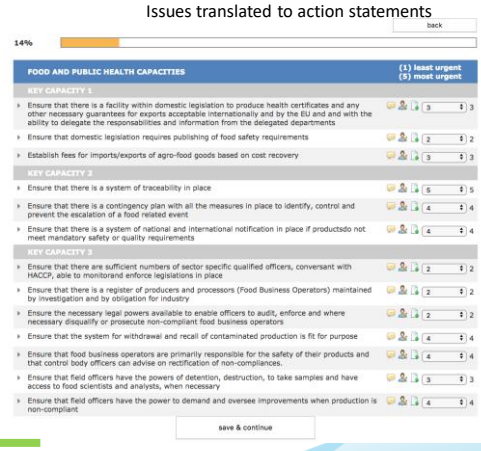
Step 3: Complete prioritization of issues of all orange bars

Issues translated to action statements





Prioritize the issues identified by the group for each section

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Step 4: Display aggregated prioritization of group

Government Capacity: Q14TF 1

1	FOOD AND PUBLIC HEALTH CAPACITIES	AVG
1.	Ensure that there is a system of traceability in place	5.0
2.	Ensure that the authority can manage legal responsibilities	5.0
3.	Ensure that the authorities have systems based on risk analysis (HACCP) in place for the audit, inspection and certification of producers,manufacturers and products	5.0
4.	Ensure that the legislation includes a requirement that water and water treatment are in line with importing country requirements, based on international standards?	5.0
5.	Ensure that import/export control requirements are based on risk and international standards	4.0
6.	Ensure that there is a system of national and international notification in place if productsdo not meet mandatory safety or quality requirements	4.0
7.	Ensure that the system for withdrawal and recall of contaminated production is fit for purpose	4.0
8.	Ensure that food business operators are primarily responsible for the safety of their products and that control body officers can advise on rectification of non-compliances.	4.0
9.	Ensure that field officers have the power to demand and oversee improvements when production is non-compliant	4.0
10.	Ensure that there is a contingency plan with all the measures in place to identify, control and prevent the escalation of a food related event	3.0
11.	Ensure that the Authorities have the power to delegate to local level the responsibilities for the operation and enforcement of legislation, if necessary	3.0
12.	Ensure that authorities set up agreements with importing countries to support and review procedures at export and at import	3.0
13.	Ensure that there is a facility within domestic legislation to produce health certificates and any other necessary guarantees for exports acceptable internationally and by the EU and and with the ability to delegate the responsabilities and information from the delegated departments	3.0
14.	Establish fees for imports/exports of agro-food goods based on cost recovery	3.0
15.	Ensure that field officers have the powers of detention, destruction, to take samples and have access to food scientists and analysts, when necessary	3.0
16.	Ensure that the national systems of control and inspection are equivalent to those in the EU and in other target high-value markets	2.0
17.	Ensure that domestic legislation requires publishing of food safety requirements	2.0
18.	Ensure that there are sufficient numbers of sector specific qualified officers, conversant with HACCP, able to monitorand enforce legislations in place	2.0
19.	Ensure that there is a register of producers and processors (Food Business Operators) maintained by investigation and by obligation for industry	2.0
20.	Ensure the necessary legal powers available to enable officers to audit, enforce and where necessary disqualify or prosecute non-compliant food business operators	2.0
21.	Ensure the that the legislation establishes an independent organization to oversee national food safety	0.0

2	SANITARY AND PHYTOSANITARY CAPACITIES	AVG
1.	Ensure that there is a legislation in place that permits the auditing of national procedures by international organizations	4.0
2.	Ensure inspectors produce phyto-sanitary certificates compliant with the requirements of theimporting country	4.0
3.	Ensure that the government has legislations in place in line with international norms and meeting EU requirements	3.5
4.	Ensure that there are teams of qualified inspectors able to audit and enforce national legislation	2.0
5.	Ensure that there is membership of IAPSC/CPI - Interafrican Phytosanitary Council/Conseil PhytosanitaireInterafricain	2.0
3	NATIONAL LABORATORY CAPACITIES	AVG
1.	Ensure that there is a laboratory development strategy and adequate legal basis	4.0
2.	Ensure that the management board of the facility is fully independent	2.0
3.	Ensure that the Government has an established or designated independent and fully funded laboratory facility/system	2.0
4.	Ensure that there is a designated primary official contact point with full contact details available internationally	1.0
4	CUSTOMS AUTHORITY CAPACITIES	AVG
1.	Ensure that the authority is able to maintain an audited national database of economic operators (exporters)	4.0
2.	Ensure that officers are able to produce accurate and reliable General System of Preference (GSP) certificates	4.0
3.	Ensure that there is a secure system in place to provide advance notification of agro-food products moving through import and export points	3.0
4.	Ensure that there is the power whenever necessary, to revoke REX registrations for breaches of the rules	3.0
5.	Ensure that the government is aware of the Mercator Programme	1.0
5	NATIONAL EDUCATION CAPACITIES	AVG
1.	Ensure that training and education curricula are adapted to and reflect the agri-food safety requirements	5.0
2.	Ensure that the legislation prescribes the qualifications required for specific operational functions of government	5.0
3.	Ensure that the legislation allows for the recognition and certification of private training companies	5.0
4.	Ensure that there is legislation in place requiring food safety education to be monitored and checked by qualified personnel	5.0
5.	Ensure that the appropriate sectoral bodies take the lead in organising vocational education and training to facilitate efficient production to meet the accepted requirements of the EU and other potential markets	4.0
6.	Ensure that food safety inspectors are adequately qualified and trained to be able to inspect according to the requirements of target high value markets	3.0
7.	Ensure that industry is made aware that the acceptable Minimum Level of Residue (MRL) of agricultural and cleaning chemicals are based on binding international agreements and EU requirements	2.0

Average of group → Serves as roadmap for NTFC or others

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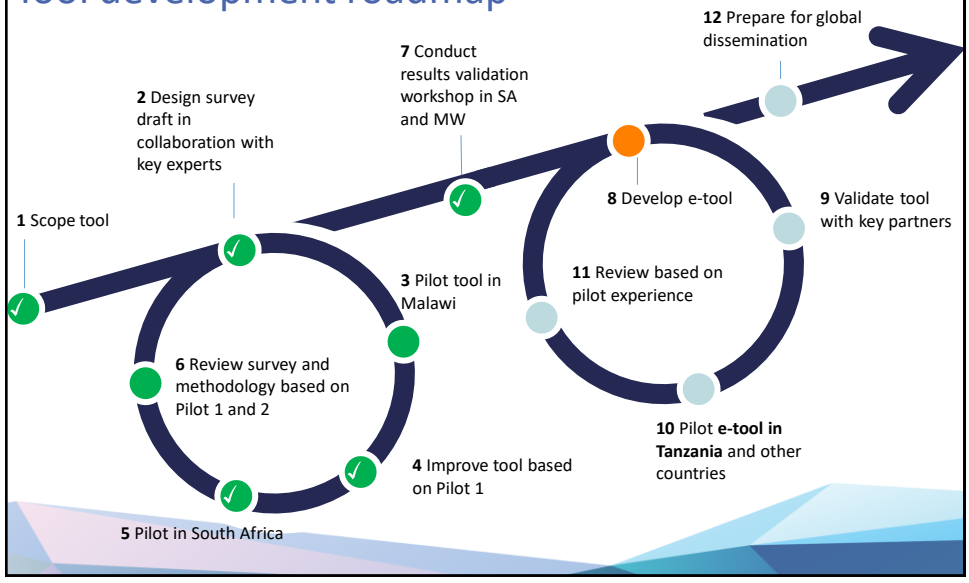
Tool development roadmap



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TRADE
INVESTMENT
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THANK YOU.