



The role of Standards and Quality Infrastructure for Trade Facilitation: The UNIDO Approach

Delivering on the Trade Facilitation Agreement

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UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT

AND THE SUSTAINABLE
DEVELOPMENT GOALS



17 Global Goals for Sustainable Development



World Leaders have committed to 17 Global Goals to achieve 3 extraordinary things in the next 15 years.
End extreme poverty. Fight inequality & injustice.
Fix climate change.

The Global Goals for sustainable development could get these things done.
In all countries.
For all people.



Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Inclusive

No one should be left behind. We should ensure that no person – regardless of ethnicity, gender, geography, disability, race or other status – is denied universal human rights and basic economic opportunities.

Sustainable

Production processes that are less carbon-intensive can save energy, reduce consumption of non-renewable resources, and minimize greenhouse gas emissions, while also stimulating innovation, technological change, diversification and job creation.

Industrial Development

New development approach, which looks at society, economy, industry and the environment as a whole.



Trade Capacity Building Activities

Quality Policy

Metrology
Accreditation
Standards

Conformity
Assessment
Services

**Building Quality
Infrastructure** for
Economic
Competitiveness

Food Safety
for Better Business
and Consumer
Confidence

**Trade
Facilitation**
Smooth the path
to global markets

**cross-
cutting**

Quality along the Value Chain

Gender Mainstreaming



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Role of QI and Standards in Trade Facilitation



Country challenges to enter global markets

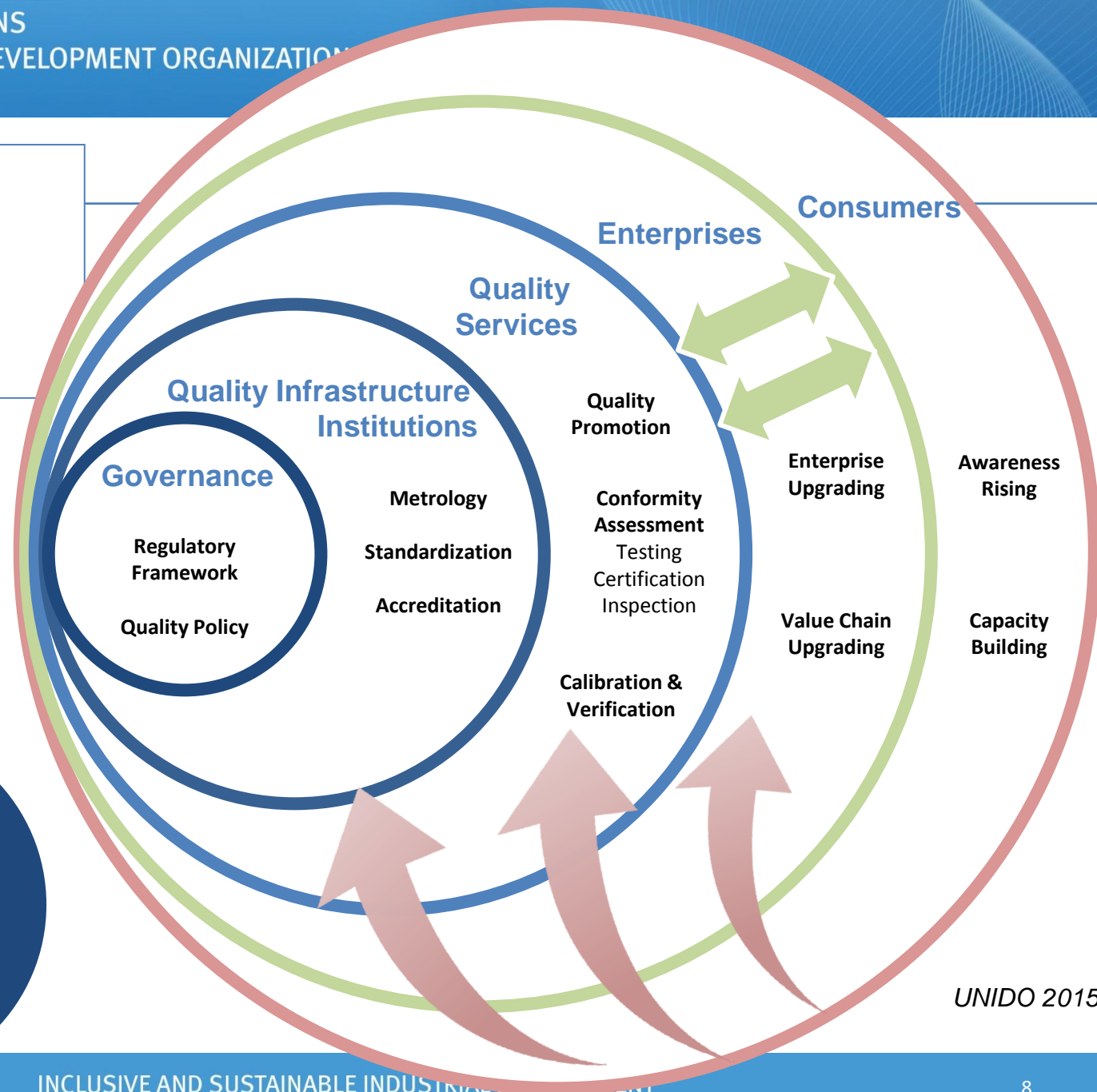


- ☐ Developing countries often do not have a functional quality infrastructure in place that can help **products** be tested and **certified** through conformity assessment procedures compliant with the requirements from developed markets/consumers/etc.
- ☐ Local certifications/ conformity assessment procedures are not **mutually/multilaterally recognized**
- ☐ Double **testing/certifications**
- ☐ Cannot meet **TBT/SPS requirements** which will act as a **barrier to trade**.

Quality Infrastructure System

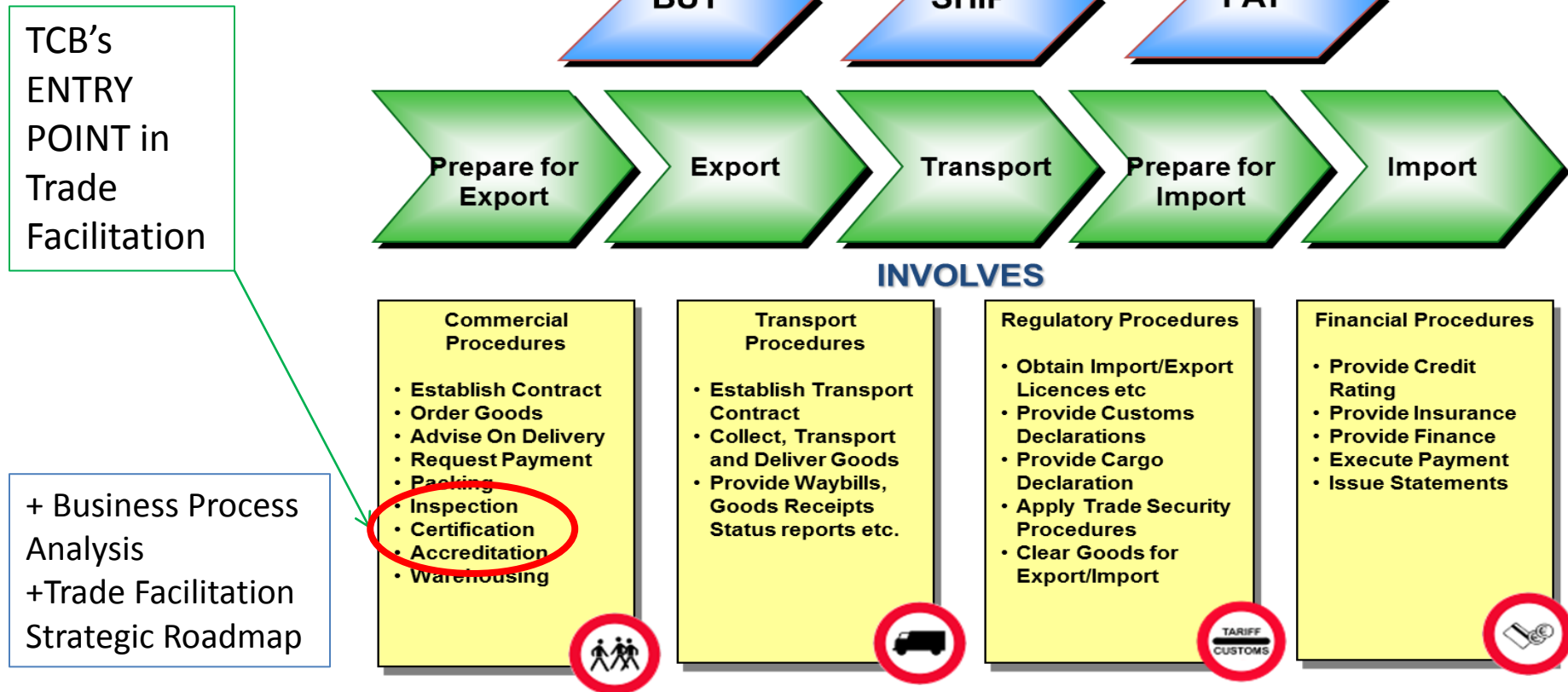
Systemic approach

in line with private sector needs



UNIDO 2015

Where does TCB fit into Trade Facilitation?



Note: UNECE Supply Chain model for TF

Why are testing and inspection important to facilitating trade?

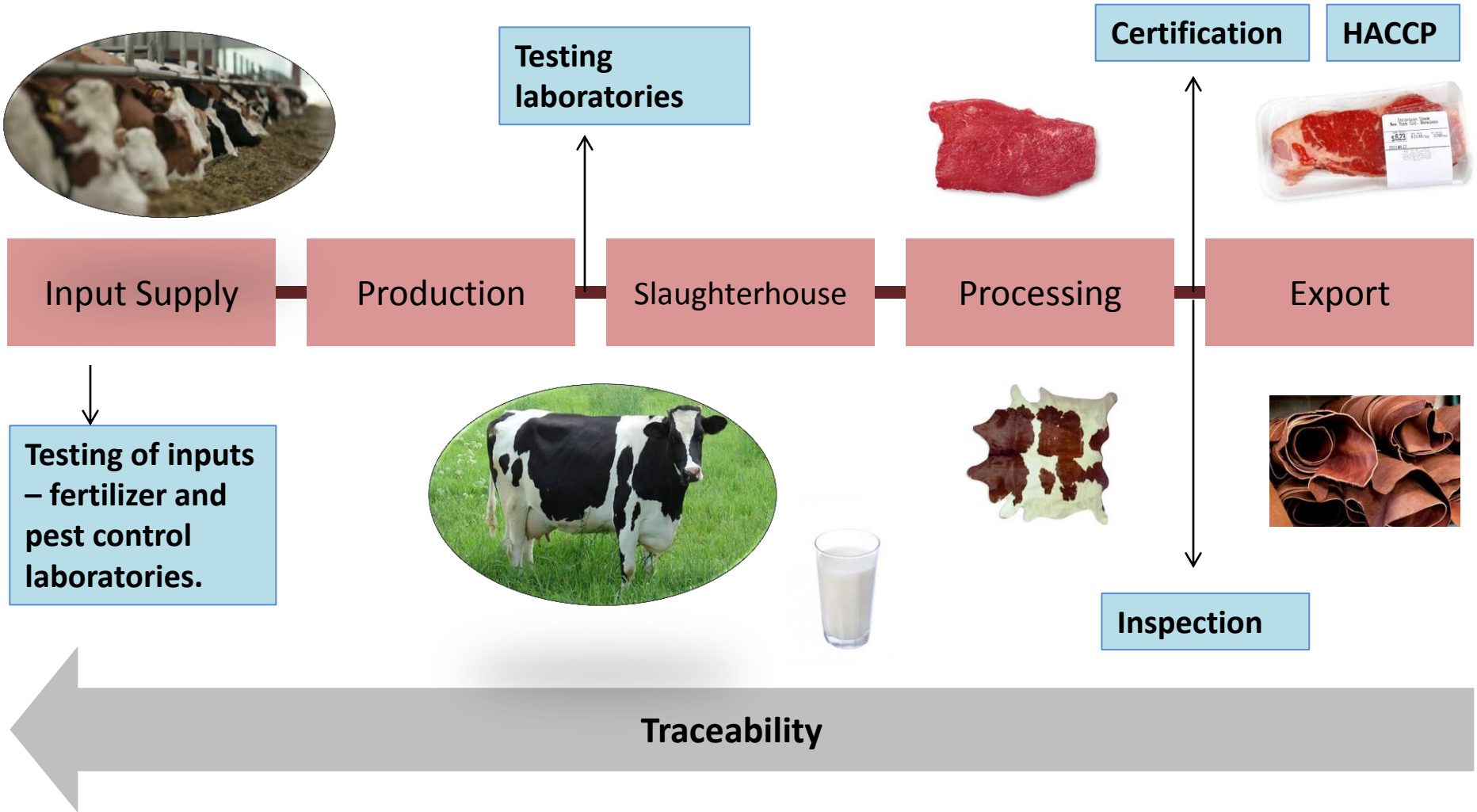
Having a product tested/inspected through an internationally recognized accredited laboratory adds value because it:

- Increases the speed at which goods pass through the border
- Ensures conformity assessment certificates are accepted on both sides of the border
- Reduces rejections of goods at the border
- Minimizes the opportunity cost
- Cuts trading costs for private sector, making them more sustainable.

Moreover, due to the importance of testing and inspection, it is a fundamental requirement foreseen by the TFA (Articles 5.3, 7.9,8 and 12.1).



Example: Livestock/Dairy/Meat/Leather Value Chain Map



UNIDO approach to Trade Facilitation



UNIDO's Trade Facilitation Approach



1

Analyse why goods are rejected at borders and publish the findings in Trade Standards Compliance Reports (TSCRs) which identify and address the bottlenecks in order to further **facilitate trade**

2

Support the development of a sound country **risk management** system through assisting stakeholders to comply with technical regulations in order to enhance the **transparency of trade procedures**

3

Assist **testing, inspection and certification entities** to achieve internationally recognized accreditation thus enabling them to offer their **services** to clients **at competitive prices**. This results in a **cut in the production costs** of local companies and **reduces delays** at the border

4

Boost existing WTO TBT/SPS **Enquiry Points** active throughout developing regions by feeding in new information on TFA requirements and providing those involved in trading with access to **an accurate and up to date information base**

5

Support **Small and Medium-sized Enterprises (SMEs)** to overcome TBT and SPS-related issues by tackling specific quality requirements in a particular value chain. This **minimizes the economic distance** travelled by goods in order to reach their market.

Impact

Trade Facilitation can make the difference by:

- **Meeting international market requirements**
- **Reducing costs/time**
- Improving competitiveness
- Ensuring consumer safety
- Enabling access to international markets
- **Reducing economic distance to the market.**



Highlights of TCB Projects (1/3)

African Region

PCP-Ethiopia

Providing technical support to the Government of Ethiopia to improve trade logistics / trade facilitation by:

- Identifying relevant SPS/TBT matters in three priority sub-sectors: agro-industry, leather, textiles; also to improve competitiveness and market access, in partnership with UNCTAD / update of DTIS - ETH
- Conducting a pilot BPA for two products (leather), with a view to develop a sectoral Trade Facilitation Strategic Roadmap, in partnership with UNECE.

Malawi

Enhancing the ability to export goods by:

- Reducing the need for re-testing, re-inspection, re-certification abroad through acceptance of measurements, tests, conformity assessment results issued in Malawi
- Introducing a Risk Management approach in Regulatory Framework
- Cutting the time and costs of moving goods across borders
- Strengthening the Malawi Bureau of Standards and assisting in the implementation of the National Quality Policy and the National Export Strategy.

Highlights of TCB Projects (2/3)

Asian Region

Pakistan - Regional Trade

- Support trade within the region by increasing visibility on TBT, SPS and TFA related requirements fostering their convergence
- Establish a module in TBT and SPS to complement an existing trade facilitation portal
- Support recognition of equivalence and ultimately the harmonization of compliance requirements and conformity assessment services.

Sri Lanka

- Build national capacity to comply with food safety and quality requirements along the cinnamon value chain to facilitate export to the regional and global markets
- Contribute towards SPS compliance along the cinnamon value chain through the promotion of Good Manufacturing Practices(GMP) to increase market opportunities/ access to new markets.

Highlights of TCB Projects (3/3)

Arab Region

Working with the League of Arab States (LAS) and the Arab Industrial Development and Mining Organization (AIDMO) to strengthen regional cooperation and integration under the Pan Arab Free Trade Agreement by:

- Setting up the **Arab Regional Accreditation Cooperation (ARAC)** to achieve mutual recognition among the Arab States
- Boosting regional trade in food and agricultural products through streamlined and harmonized conformity assessment procedures.





thank you!



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