It’s not only about customs..

Experiences and lessons from STDF’s work

TFAWG – 10th meeting
22 - 23 October 2018

standardsfacility.org
Performance of trade logistics is improving

Studies highlight gaps in SPS capacity & SPS procedural obstacles

SPS agencies seen as “the weak link in the chain”

Source: World Bank Logistics Performance Index
WTO SPS Agreement
striking the balance

Recognizing
the right to protect
human, animal, plant
life or health

Avoiding
discrimination and
unnecessary barriers
to trade
Synergies with WTO TFA

Control, Inspection & Approval Procedures (Art. 8 and Annex C)

- No undue delays
- Information limited to what is necessary
- Non-discriminatory fees
- Non-discrimination in siting of facilities, selection of samples
- Procedure to review complaints, take corrective action, etc.
SPS Plus in TFA?

- Publish import/export procedures
- Provide advance rulings
- Review and publish fees and charges
- Allow pre-arrival processing, publish average release times
- Reduce import / export transit formalities
- Border agency cooperation

Room document RD/SPS/3/Rev.2
11 October 2018
Realities on the ground

SPS measures may result in justifiable transaction costs based on the need to protect health

but

Ineffective and inefficient SPS controls disrupt trade more than necessary, and sometimes result in poor health protection
SPS procedural obstacles

- Limited information
- Multiple inspections
- Lack of coordination at borders
- Complex and lengthy procedures
- Excessive document requirements
- No complaints / appeal procedures
- Arbitrariness, unpredictability
Influencing factors

- Low awareness about importance of trade facilitation
- Trade facilitation not seen as part of core role
- Limited skills, technical capacity
- Too little funding for operational costs
- Lack of public-private dialogue
Why this matters

More controls than justifiable
Longer than needed waiting times
Increased costs for traders, also for governments
SMEs suffer the most
Informal trade
Win-win opportunities to facilitate safe trade

Use international standards
Improve transparency
Streamline SPS processes
Use risk-based approaches
Move towards SPS e-cert (STDF projects on e-phyto and e-vet)
Connect customs and SPS authorities
Agencies most frequently included in NTFCs

- Customs: 98%
- Agriculture: 91%
- Foreign Trade: 86%
- Finance: 86%
- Transport / Infrastructure: 68%
- Animal and plant health: 67%
- Standards setting authority: 63%
- Ministry of Commerce and/or...: 63%
- Foreign Affairs: 56%
- Human Health: 51%
- Port / Airport / Railroad authorities: 51%
- Export promotion board: 42%
- Fisheries: 39%

Source: WTO e-Survey (2016)
National SPS coordination

Fifth Review SPS Agreement – strengthen national SPS committees (G/SPS/W/297)

Include SPS authorities in NTFCs, but also include customs in similar SPS structures

Be pragmatic, use existing mechanisms, do not overcomplicate design
• Use TFA to leverage resources and improve SPS border management

• Enhance understanding of links between SPS measures and trade facilitation

• Collect good practice examples of how customs and SPS authorities work together, including in NTFCs
How Chile, Peru and Colombia are improving SPS practices protecting health and cutting trade costs
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