



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

STDF Working Group 13th October 2015

UNIDO Activities Update
Trade Standards Compliance Analysis

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Some Highlights:

Global Food Safety Partnership (GFSP) Retreat, Vienna

Cooperation with China Food and Drug Administration (CFDA)

Trade Standards Compliance Analysis

Vienna Food Safety Forum VFSF



Trade Standards Compliance Analysis

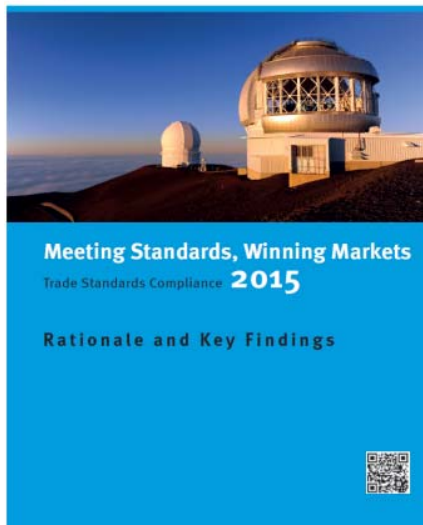
Meeting Standards, Winning Markets

Trade Standards Compliance 2010



Meeting Standards, Winning Markets

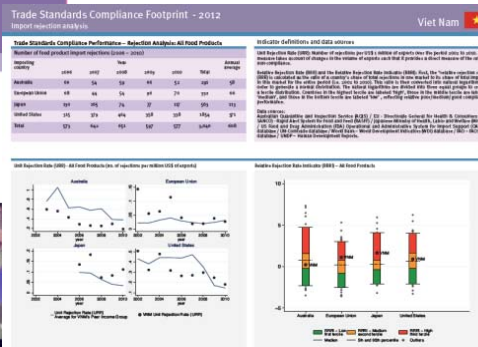
- EU DG Santé, US FDA, Australia AQIS, Japan MHLW
- Import/Border Rejection Analysis,
- Buyer Surveys, and
- Quality Infrastructure Indices



Meeting Standards – Winning Markets

Trade Standards Compliance
as a Contribution to Exports and Growth

Country Footprints for
Middle-Income Countries



More Information: <http://www.unido.org/tradestandardscompliance.html>



Rationale

Objectives of the Analysis:

- 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 Analysis:

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



Trade Standards Compliance Report (TSCR) 2010 and 2015

Partner: Institute of Development Studies (IDS)

Cooperation:

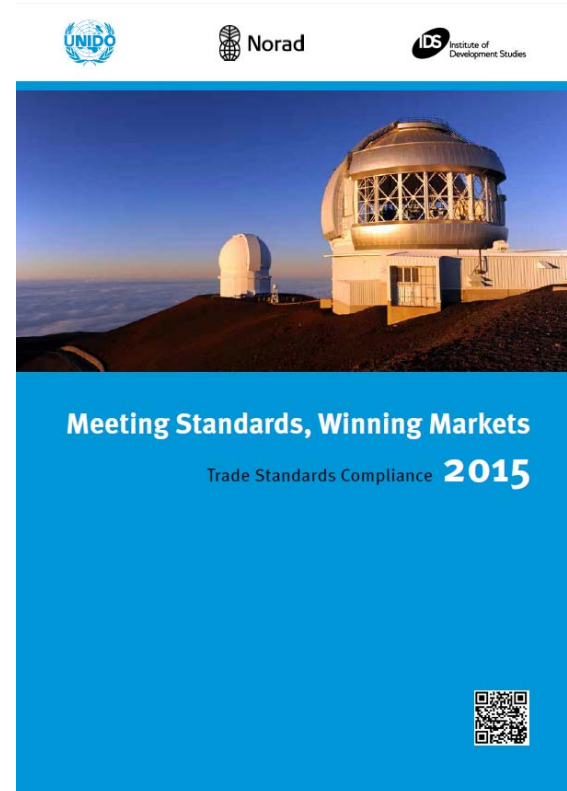
- **Border rejection analysis (4 markets):** EU DG Sanco, US FDA, Japan MHLW, AQIS/Australia
- **Buyer survey:** National/international private sector associations
- **Quality Infrastructure Indices**
- **Emerging Issues chapter:**
TSCR 2010: FAO, ILO, IPPC, ISO, UNEP, WTO
TSCR 2015: major retailers (AEON, Kraft Foods, GFSI), certification schemes (Fairtrade, MSC), NGOs (WWF, Oxfam), etc.

Additional activities:

- Regional TSCRs for Asia (with IDE-JETRO) and Latin America and the Caribbean (with Inter-American Development Bank, IDB)
- Web tool/database (with IDB), incl. TSC Footprints

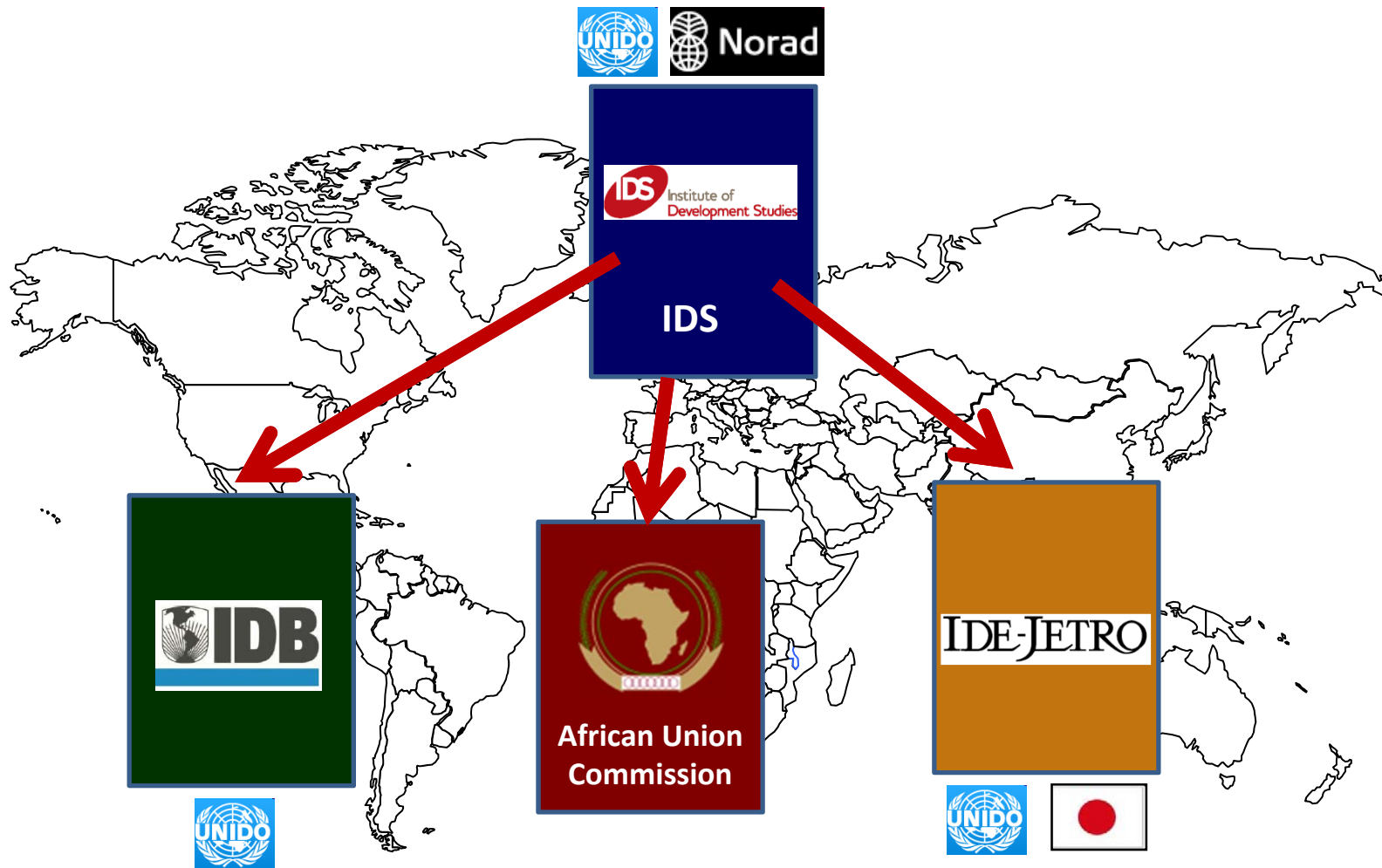
Dissemination:

Hard copies + website: www.unido.org/tradestandardscompliance





Regionalizing the Global TSC Analysis/Report: 2015 ++





Import Rejection Analysis

What do import rejections tell us

UNIDO since 2010 works on rejection analysis as a tool for facilitating better policy decisions

Focus:

- Import rejections by world region
- Reasons for import rejection

Analysis by commodity, sector such as fish, fruits and vegetables, nuts and seeds

Reasons and rate of **rejections varies across markets**

Rejections at importing border are a **good rough indicator of compliance capacity** and for areas where and which improvement is needed

Import rejections have persisted to be a reality for developing country exporters. They provide **areas for policy guidance in terms of investments to achieve compliance** with SPS and TBT requirements in international markets.



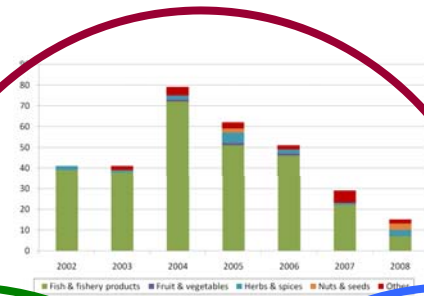


The Trade Standards Compliance Observatory

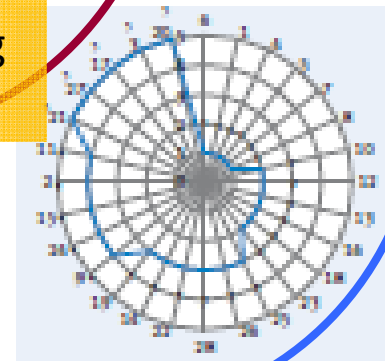
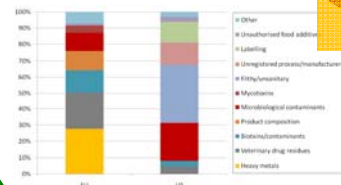
Benchmarking Trade Standards Compliance –

(Work in Progress)

**Buyer
Compliance
Confidence Radar**
250 Global
Buyers



**Trade Standards
Compliance
Benchmarking**



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

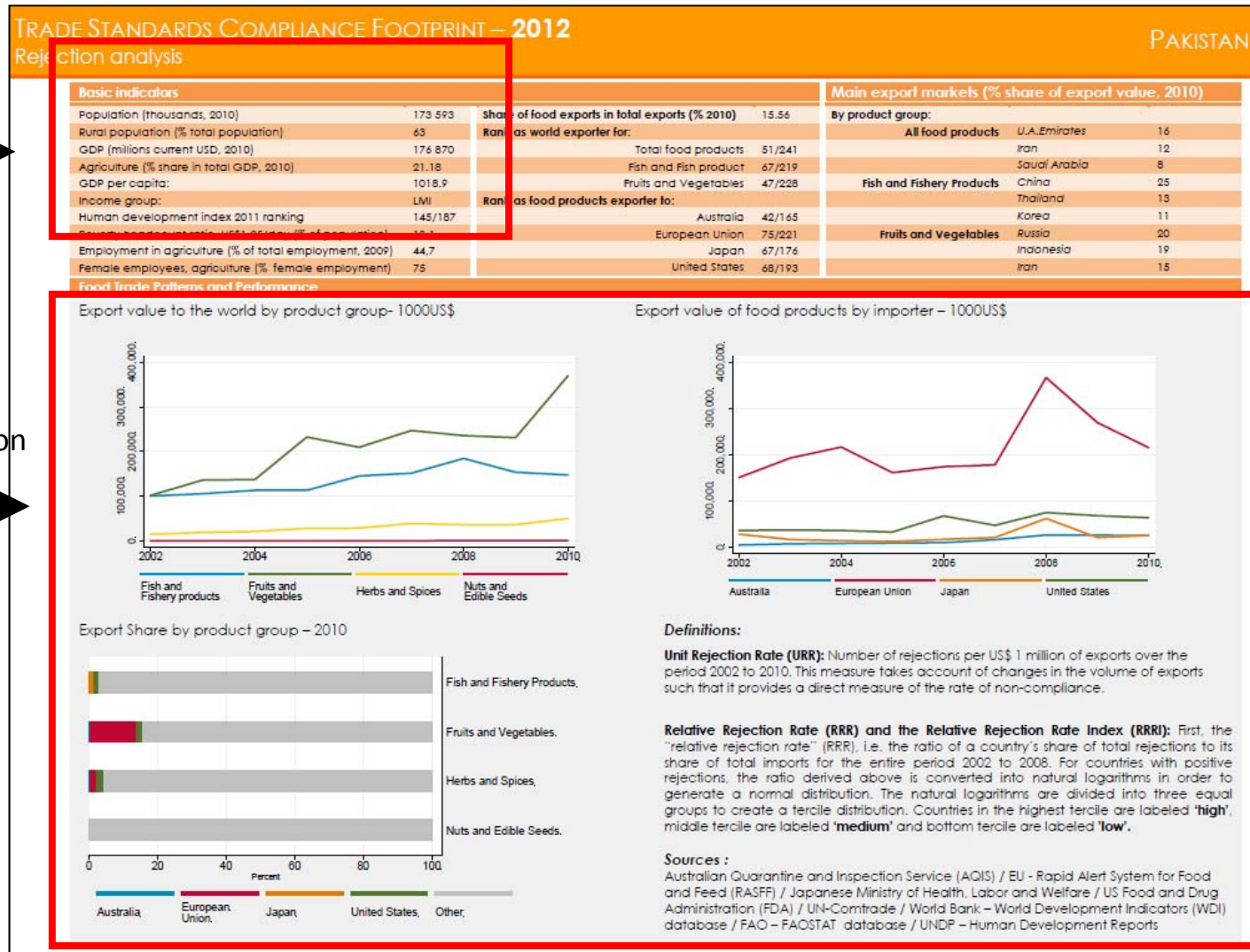
**Quality
Infrastructure
Performance
Survey**
48 Countries



Trade Standards Compliance Country Footprints

Poverty
Relevance

Trade
Contribution
to GDP



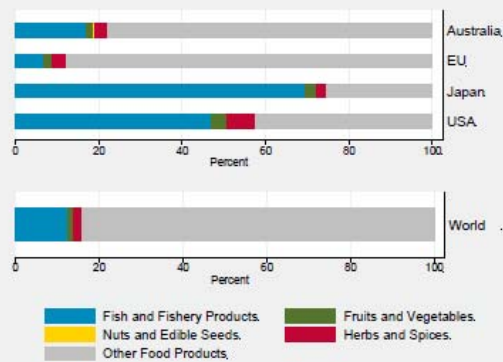


TRADE STANDARDS COMPLIANCE FOOTPRINT – 2012
Rejection analysis

PAKISTAN

Trade compliance – All food products

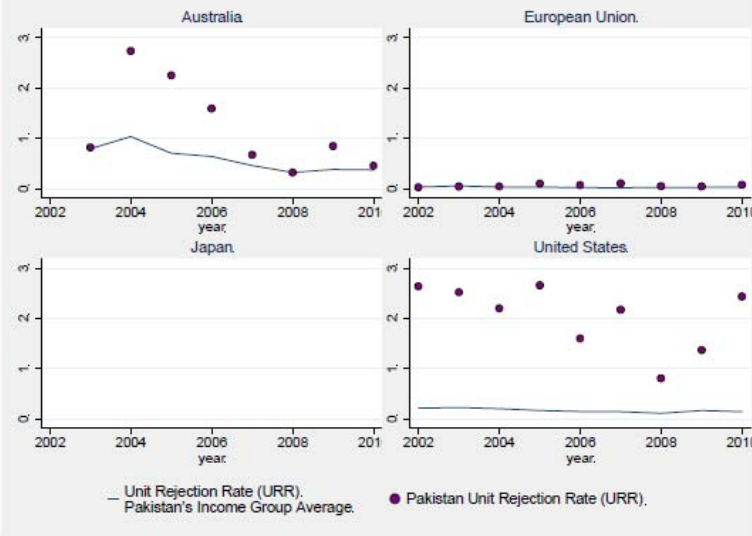
Export share – product group and export market (2010)



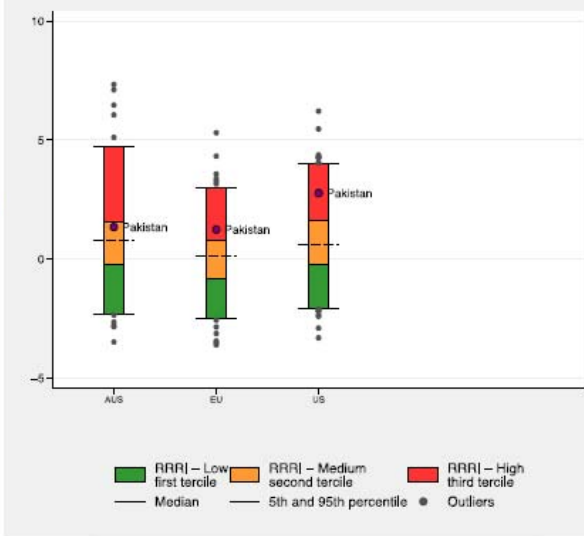
Number of food product consignment refusals 2006 - 2010

Importing country	Year					Total	Annual average
	2006	2007	2008	2009	2010		
Australia	18	12	9	23	12	74	15
European Union	19	28	27	17	27	118	20
Japan							
United States	128	129	71	106	175	609	122

Unit rejection rate (URR) - All Food Products (No of rejections per million US\$ of exports)



Relative Rejection Rate Index (RRRI) – All Food Products



Trade Standards Compliance (Border rejections)





TRADE STANDARDS COMPLIANCE FOOTPRINT – 2012

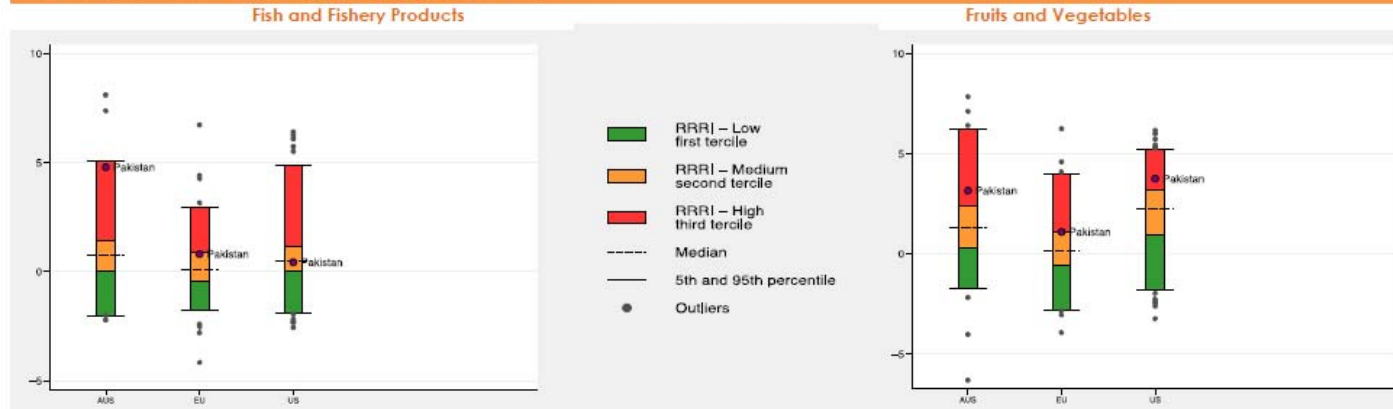
Rejection analysis

PAKISTAN

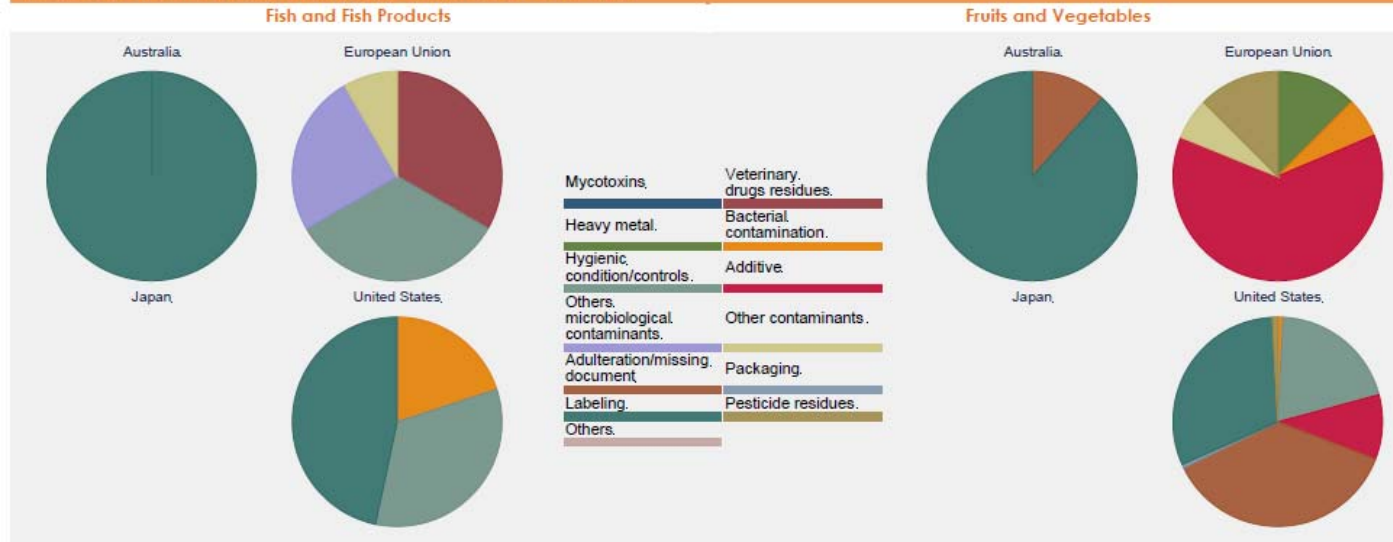
Border
Rejection
Analysis
by Sector



Relative Rejection Rate Indicator (RRRI) by product group 2002 – 2010



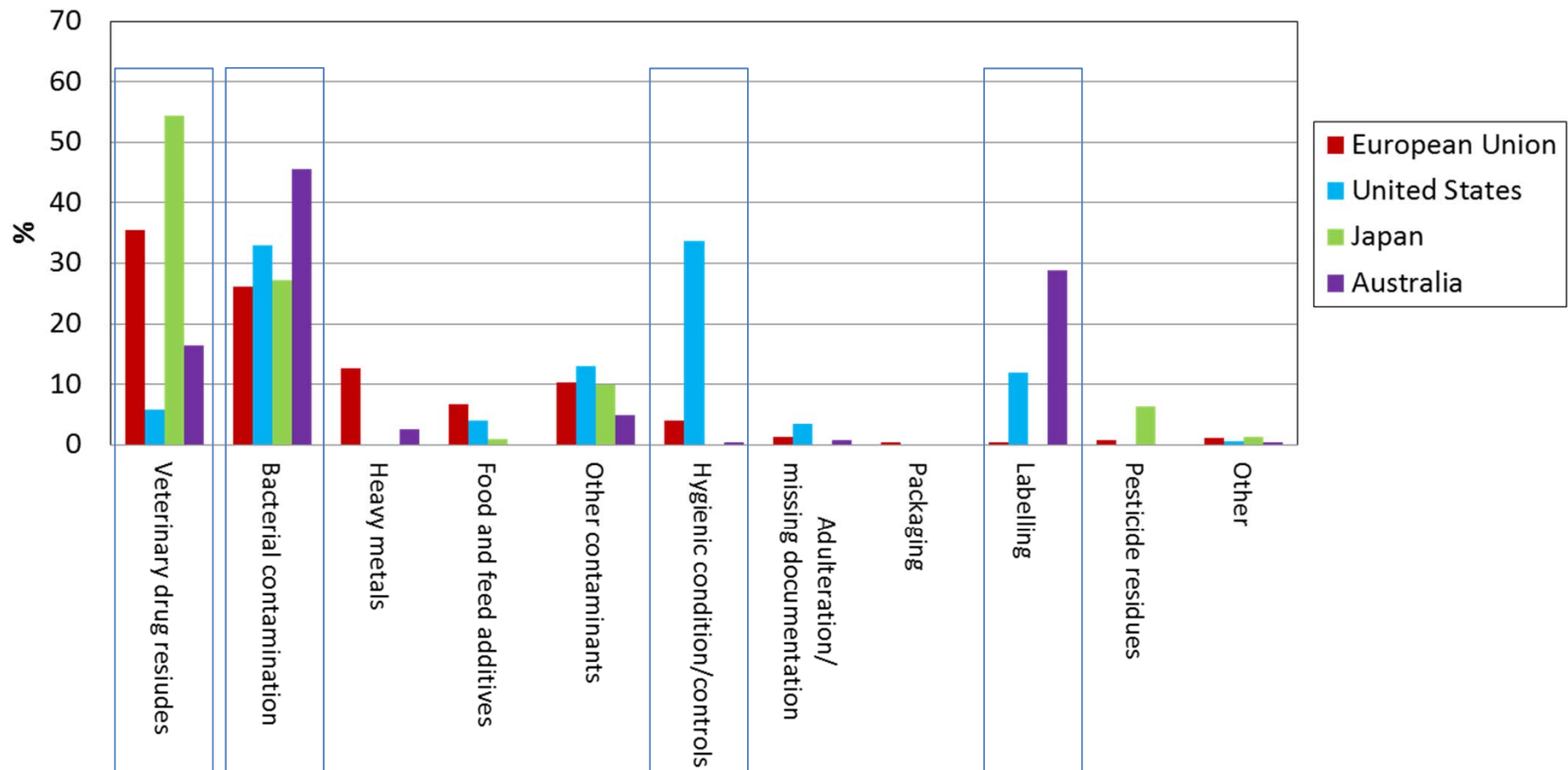
Reasons for rejections by export market and product group 2002 - 2010





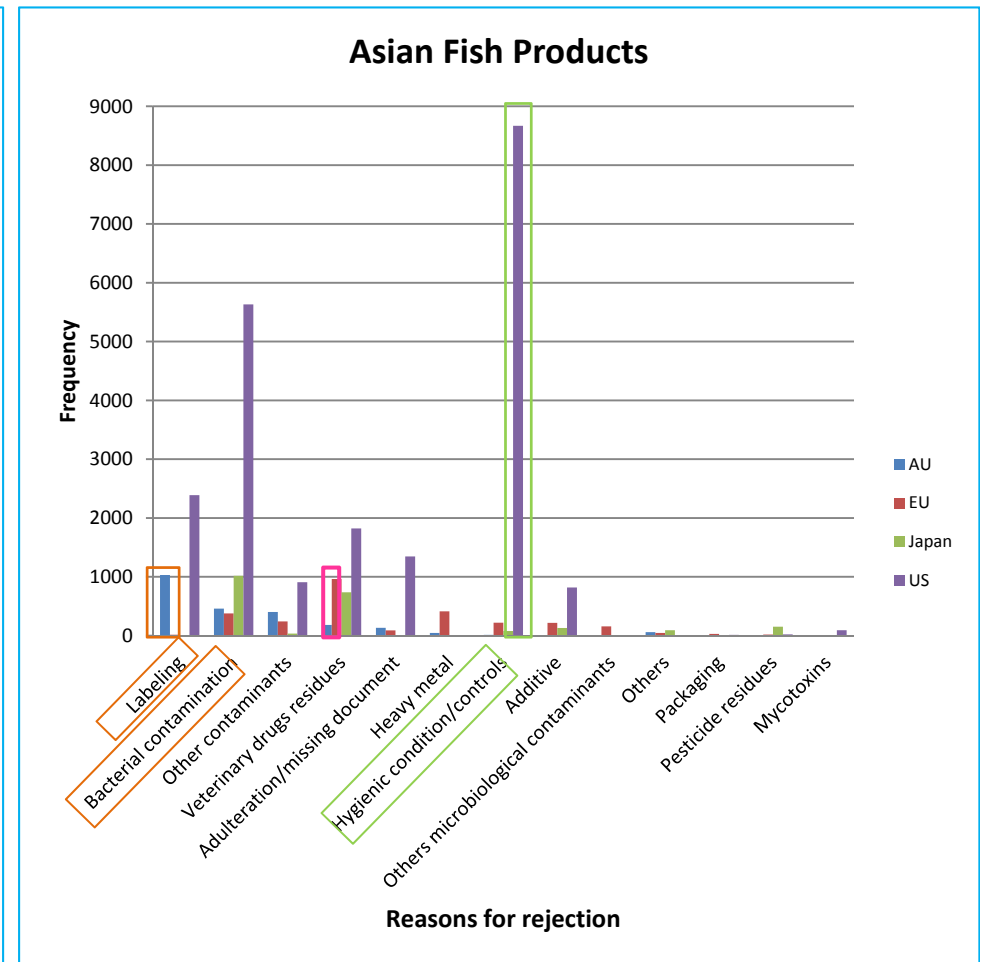
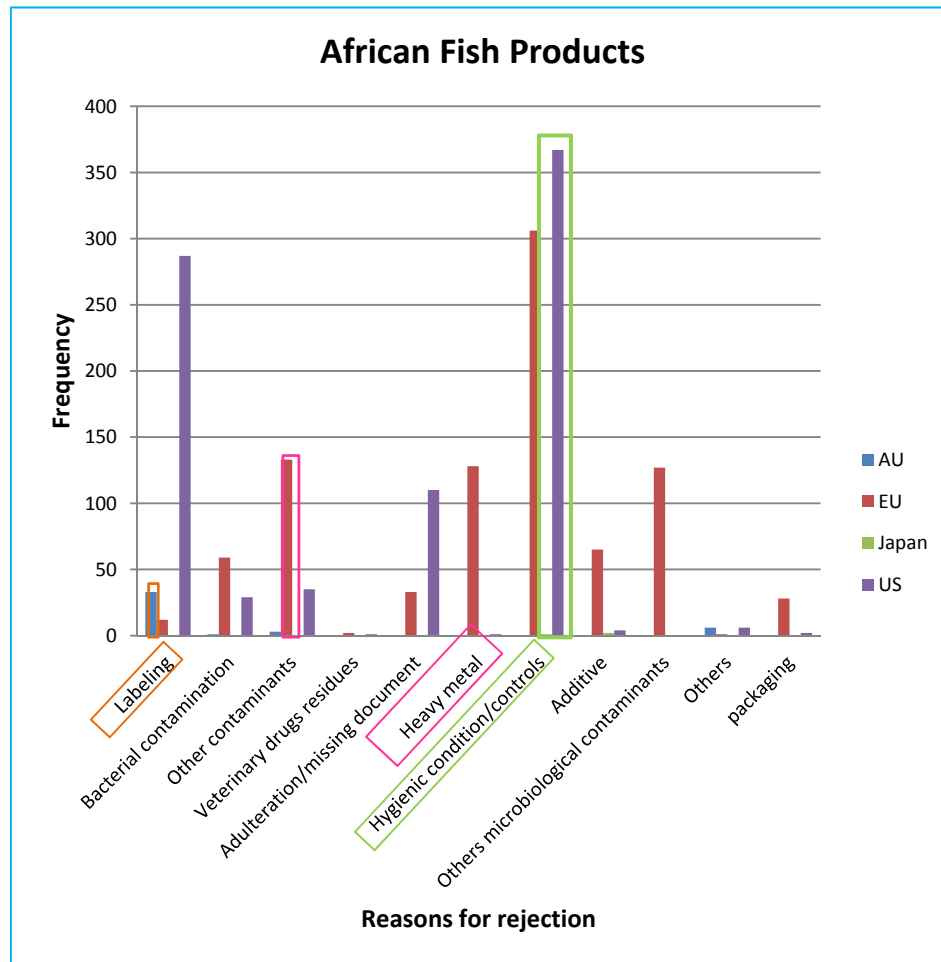
2015: Rejection Analysis: Reasons

Reasons for Rejection of Fish and Fishery Product Exports - Example



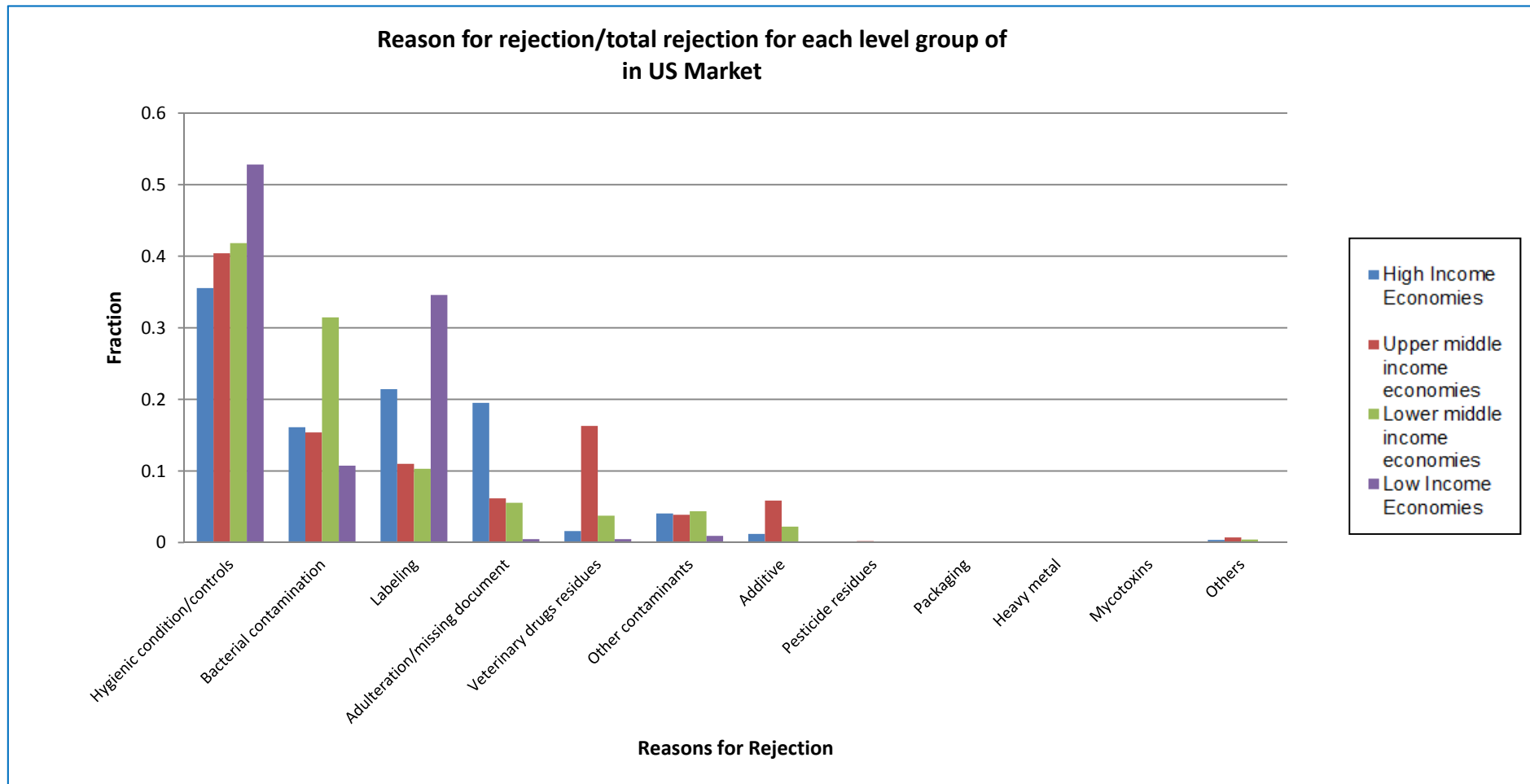


2015: Rejection Analysis by Region: Africa vs Asia





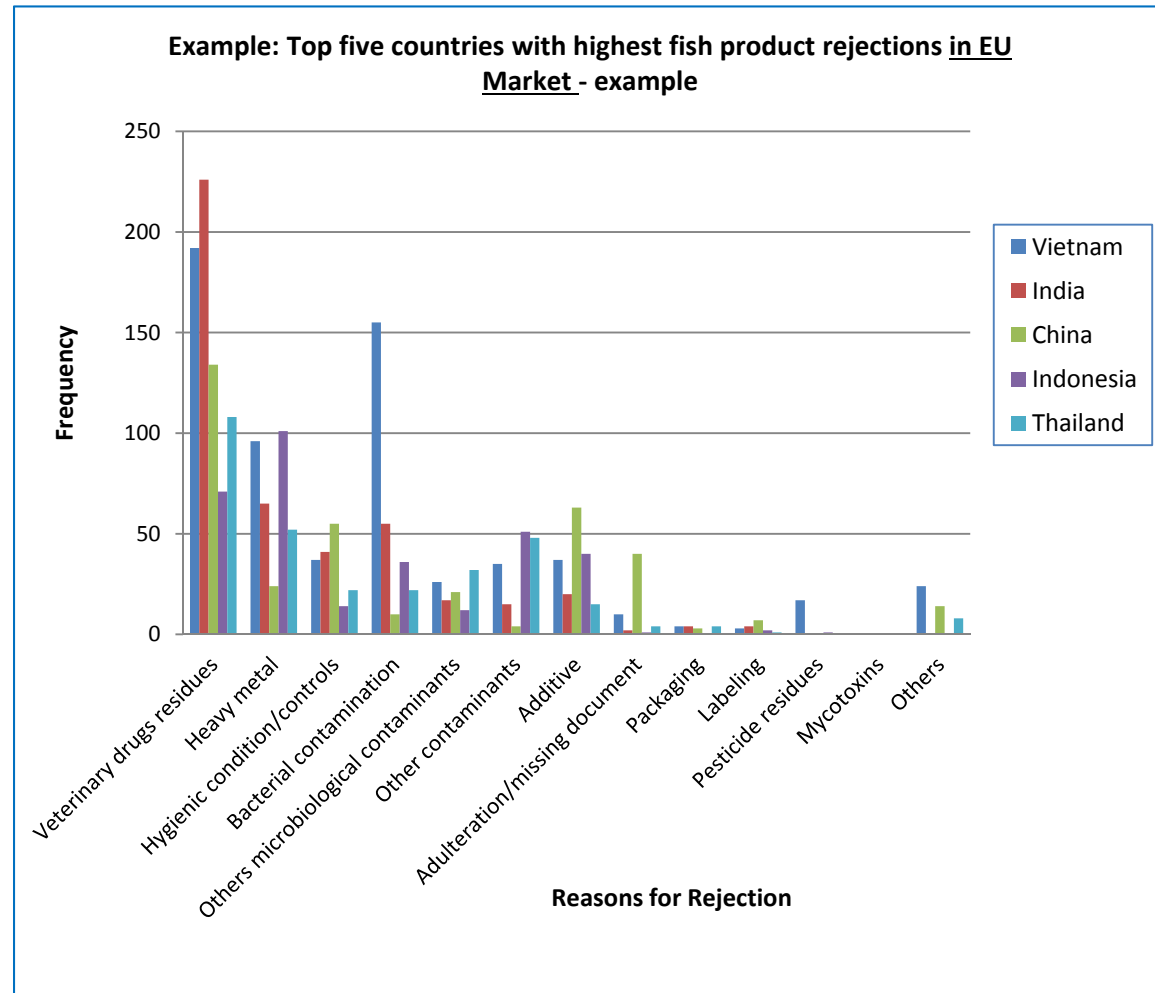
2015: Rejection Analysis by Groups of Countries





2015: Top 5 Countries facing Compliance Issues

- China
- India
- Indonesia
- Thailand
- Vietnam



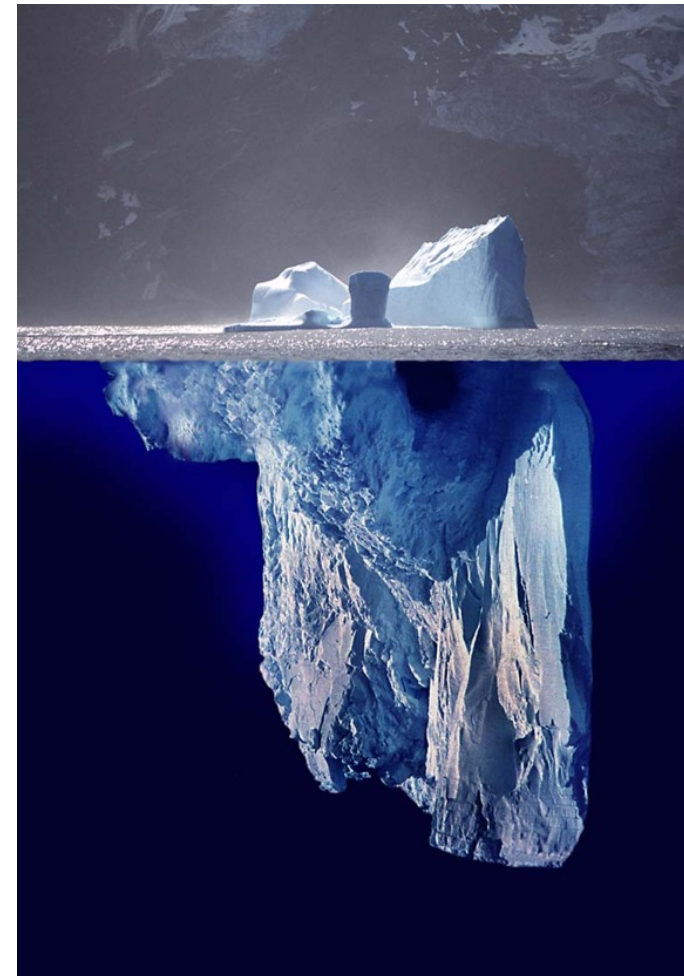


Economic Losses Average/year 2005 -2015

Top 5 Countries/4 Markets: losses/year

• China	US\$ 12,948,000
• India	US\$ 2,949,000
• Indonesia	US\$ 2,537,000
• Thailand	US\$ 6,542,000
• Vietnam	US\$ 3,080,000

**Estimated export losses are however only
the tip of the Iceberg:
Reputational loss is difficult to establish**



https://en.wiktionary.org/wiki/tip_of_the_iceberg#/media/File:Iceberg.jpg



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Vienna Food Safety Forum 2015 - 11th September 2015



INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT



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Watch the video link: <https://www.youtube.com/watch?v=THBvdl8dR0c>

INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT

