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STDF Working Group Meeting

Updates on UNIDO's SPS related Interventions

10/21/2016





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UNIDO Projects

Africa - Regional interventions

Title of the project: Quality Infrastructure Programme for Central Africa - Programme Infrastructure Qualité de l'Afrique Centrale (PIQAC)

Countries: Regional project in Central Africa: Cameroon, the Central African Republic, the Republic of Congo, the Democratic Republic of the Congo, Gabon, São Tomé and Príncipe, and Chad

Donor: European Union

Thematic areas: quality and food safety, standard development

Within the framework of the Programme to Support Trade and Economic Integration (PACIE), the European Union and the **Economic and Monetary Community of Central Africa (CEMAC** according to the French acronym) tasked UNIDO with the implementation of the Quality Infrastructure Programme for Central Africa (PIQAC according to the French acronym). Funded by the European Union, PIQAC aims to reinforce the competitiveness and diversification of the productive sectors through a support provided to regional and national institutions of the quality infrastructure.

PIQAC has three components: 1) a **regional quality policy** component to develop a regional quality policy model (that includes all the components of quality infrastructure such as: standardization, conformity assessment, metrology and accreditation, etc.) 2) a component to **reinforce quality infrastructure institutions** by training selected candidates from each country in the field of food safety (ISO 22000/HACCP), providing technical assistance to agro-enterprises (3 per country), supporting the accreditation efforts (ISO 17025) to laboratories in each country (2 per country), and 3) a component to **raise the private sector and consumers' awareness** on the importance of quality by training Quality Infrastructure professionals (272 trained so far) and providing awareness workshop to participants in the region (600 people benefited from this activity so far).

PIQAC therefore is helping create a **favourable business environment** while ensuring compliance with international trade rules and technical regulations. The programme is also **building trust and boosting competitiveness in the private sector** while ensuring the protection of its consumers and facilitating domestic and international trade.

Title of the project: Sustainable Quality Infrastructure for SADC

Country: SADC region

Donor: Finland, UNIDO

Thematic areas: laboratory upgrade, accreditation of testing laboratories

The ultimate goal of the multi-component programme is to **contribute to the sustainability of key regional quality infrastructure institutions** that will support conformity assessment bodies. A first step is to **support testing laboratories** in the region to improve their service offer by tackling common gaps in the region. For this purpose a tool has been developed to assess the key needs of testing laboratories. The tool explores 4 key areas in the laboratories: quality of test methods, human capital, equipment, and quality management system. **170 laboratories form 11 countries** have participated in this first run. Key gaps identified in the region include participation in PT schemes, method validation, maintenance, use and knowledge of reference materials, quality control and training on international standards. A second stage is to **develop a tool to measure demand of testing services** in the region and thirdly **provide technical assistance** to address the gaps to upgrade laboratories and eventually accredit them.

Projects at country level in Africa

Title of the project: Trade Capacity Building for Burundi (RCCB)

Country: The Republic of Burundi

Donor: Enhanced Integrated Framework and NORAD.

Thematic areas: NQI, SMEs development, standard development, SPS, Quality and Food Safety

Through the funding of the Enhanced Integrated Framework (EIF) and the Norwegian Agency for Development Cooperation (Norad), UNIDO is working with the Burundi Bureau of Standards and Quality Control (BBN according to the French acronym) on a two-pronged approach to **improve the quality of coffee, fruits and vegetables**. The first component of the project **supports improvements in the existing National Quality Infrastructure (NQI)** for standardization, inspection and testing while the second component brings in both national and international experts to work with professional associations to offer **improved technical services and training** for coffee growers and producers of fresh or transformed fruits and vegetables.

The adoption and development of quality standards, together with personnel training, first in the national assessment services and then in the targeted value chains and exporters, facilitates the **exploitation of opportunities concerning exports**. Analytical and testing laboratories (microbiology, pesticide residues) are supported with renovation of infrastructure, equipment and training on quality systems according to the ISO 17025 standard. Producers, exporters and value chains stakeholders receive **training on quality and compliance with SPS requirements**. The development of national programs provides support with the implementation of quality management systems, organic certification, Fairtrade, HACCP, standardization, certification and good agricultural practices (GAP). With improved conformity assessment services and with better quality infrastructure institutions working for the targeted sectors, Burundi has the tools and knowhow to ensure the quality of the local products.

Title of the project: Improving sustainable value chains for exports from Ghana

Country: The Republic of Ghana

Donor: SECO

Thematic areas: NQI, standard development, SPS, quality and food safety

The primary objective of the project is to ensure that goods and services emanating from or traded in Ghana are designed, manufactured and supplied in a sustainable manner that **match the needs, expectations and requirements of the purchasers and consumers** as well as those of the **regulatory authorities in the local and export markets**.

Based on the needs of the Ghanaian industry, authorities and the society, the programme **supports the Ghana Standards Authority** in the development, revision and promotion of relevant international and national standards (sustainability, social, environment, organic, food safety). The programme also **supports the conformity assessment services**, including inspection agencies, testing laboratories and certification bodies, to demonstrate the quality of targeted products and services independently from the manufacturer or the supplier. The **assistance to testing and inspection services** includes training of personnel, provision of equipment and accompaniment on the road to accreditation against relevant international standards (such as ISO/IEC 17020, ISO/IEC 17025, ISO/IEC 17065).

With new and revised standards, in line with the international ones, producers and exporters of all **value chains comply with statutory and regulatory requirements** and get more involved in standardization process which can result in wider ownership of the standard. The use of the standards and measures lowers rejections, ensuring quality of exports and income generation for stakeholders. The improved conformity assessment services and quality infrastructure institutions prove the quality of the Ghanaian exports. The compliance with international requirements decreases the non-conformities in quality and food safety and thus increases the destination and number of exports. Having ISO/IEC17025 accredited laboratories means having a formal recognition that the tests that are performed in the laboratories are complying with the expectations and requirements of the international buyers. If the accredited

laboratory provides accurate analysis of a product's safety, the rejections at the boarder decreases, fewer tests have to be conducted when the products are delivered and testing costs diminish significantly.

Title of the project: Market Access and Trade Capacity Building Support for Agro-industrial Products” (MATCB) Project; & Development of a Robust Standardization, Quality Assurance, Accreditation and Metrology infrastructure for Malawi (SQAM) Project

Country: The Republic of Malawi

Donor: Norad (MATCB); EU/UNDP (SQAM)

Thematic areas: NQI, SQAM, SPS, SMEs development, standard development



UNIDO NPC meets NASFAM farmers

Malawi has embarked in two interventions aimed at reforming the **National Quality Infrastructure (NQI)**. The MATCB Project focuses on the legal metrology and quality improvement amongst smallholder farmers whilst the SQAM Project addresses the policy and regulatory landscape, the institutional reform of the **Malawi Bureau of Standards (MBS)**, the accreditation of conformity assessment services and quality improvement initiatives amongst **small and medium enterprises (SMEs)**. These programs assist in upgrading and strengthening the national quality conformity assessment infrastructure to achieve the credibility and recognition that are required internationally, allowing TBT and SPS barriers to be overcome for products/sectors with high export potential. Failing to do so will continue to hamper trade in general and export trade in particular.

The two main **outcomes related to SPS** are: (i) the strengthening of a proactive and a responsive National Enquiry Points (NEP); and (ii) the improvement and mainstreaming of SPS infrastructure into national policies. The importance of compliance to SPS measures, in particular, in support of the development of the commercial agriculture sector and agro-processing capacity is essential in achieving penetration of export markets by Malawian producers. **MBS** is the national member of ISO and IEC, and provides the national focal point for CODEX. It is also the national member of those regional bodies that mirror its national roles, in particular to the various SMTQ-related bodies in the sub-regional organizations, such as SADC and COMESA. It is also a member of the African Regional Standards Organization (ARSO), and is positioned to provide the functions of WTO/TBT Enquiry Point and WTO/SPS Enquiry Point.

Furthermore, the **National Smallholder Farmers' Organization of Malawi (NASFAM)** is being supported to overcome TBT and SPS- barriers mainly by providing trainings and technical assistance to comply with the national and international standards.

Title of the project: Trade capacity building for exports in Namibia

Country: The Republic of Namibia

Donor: NORAD

Thematic areas: Upgrading national quality infrastructure, SPS

The overall objective of the project is to **strengthen Namibia's quality infrastructure** in order to support Namibian exporters in maintaining current markets and in developing new ones. The fulfillment of this outcome is being achieved through the following outputs: 1) **Dialogue on National Quality Policy (NQP)** is being facilitated and leads to improvement in the national quality system and in awareness of the services it provides, 2) **NSI metrology laboratory service** offering is being strengthened and recognized regionally and internationally, the technical competency of metrology staff is being enhanced. 3) The **fish sector related quality infrastructure services** are being strengthened (equipment and technical capacity building), internationally recognized and demanded by private sector and 4) the **meat sector** related quality infrastructure services are being strengthened, internationally recognized and demanded by



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private sector. The main beneficiary institutions are the Namibian Standards Institution (NSI), the Central Veterinary Laboratory (CVL) and Meatco.

The project is in the process of **supporting NSI, CVL and Meatco** in broadening their scope of accreditation, calibration and testing services. The acceptance by trading partners of testing results and certificates will be the best measure of the effectiveness of the project, as this would determine the capability of the Namibian quality infrastructure to **support intra-regional and international trade**. The project takes a sectoral approach to quality infrastructure (calibration, certification, testing and inspection services) upgrading, for meat and fish exports. Quality infrastructure institutions providing services to fish and meat sectors are substantially strengthened through technical competence building and equipment purchase.

Title of the project: Strengthening SPS control, building quality infrastructure and enabling private sector to comply with trade-related standards

Country: The Republic of Uganda

Donor: undefined (Preparatory Assistance)

Thematic areas: SPS, quality infrastructure, standards compliance

Uganda has recently been facing rejections of its agro-products exports to EU in particular for capsicums (peppers, etc.). Uganda also has a number of other challenges in relation to specific product market combinations (for example focusing on EU requirements for hygiene of fishery products, and insect pests in fruit and horticultural products). Uganda therefore has requested UNIDO to support a **gap analysis** and to assist in **defining short- and medium-term capacity-building activities**.

A mission in December 2015 has identified a number of strategic issues as well as short-term, low cost interventions which are currently under consideration and implementation by Uganda. In parallel, Uganda has been supported to develop a **medium-term technical assistance proposal**.

Its main interventions would focus on **SPS compliance and controls** in a holistic manner for priority value chains: 1) **SPS Policy** and coordination, risk assessment, official controls, border control systems and Food Safety, 2) **Quality infrastructure development** (mainly conformity assessment) and on 3) **strengthening SPS conditions** along supply or value chains.

It is envisaged that a full project document is to be developed in cooperation with FAO for joint implementation.

Title of the project: Trade capacity building for Zambia – Phase II

Country: The Republic of Zambia

Donor: NORAD

Thematic areas: National quality infrastructure upgrading.

The main objective of the project is to **enhance the export performance** of the Republic of Zambia by supporting the re-engineering of Zambia's National Quality Infrastructure based on the implementation of its **quality policy** and to **increase private sector participation** in service delivery. This objective will be achieved through: 1) **national quality institutions are re-engineered** in line with National Quality Policy (NQP) and 2) **establishing public-private partnership** to provide quality training, consultancy, certification and testing services for private sector.

The above will be achieved through: a) the **strengthening of the national metrology function**, b) **training and advisory inputs to Zambia Bureau of Standards (ZABS)** to **strengthen its service offering** and to provide **internationally recognized testing** (incl. food testing) and **calibration** services, c) providing support to Ministry of Commerce, Trade and Industry (MCTI) to **operationalize the new Technical Regulations framework** and to draft an Accreditation Act, d) **supporting National Laboratory Association** to conduct trainings in the area of laboratory accreditation and proficiency testing to public and private laboratories, d) the food safety management systems consultancy, training and audit capacities are being strengthened and e) **partnership between Copperbelt University,**

University of Zambia and Manufacturer's Associations facilitated, to promote the development of quality standards related curricula and job placements for graduates.

The direct beneficiaries are ZABS, Zambia Weights and Measures Agency (ZWMA) and the Business Associations and Universities while the ultimate beneficiaries of this project are the manufacturers and exporters and consumers.

Arab countries – Regional interventions



Arab StarPack event in Lebanon

Title of the project: Arab StarPack Initiative
Country: Lebanon, Jordan, Palestine, Egypt
Thematic areas: Packaging, TBT

Thanks to its great success, the **StarPack competition** has been already organized by LibanPack for **seven consecutive years** in collaboration with the World Packaging Organization (WPO) and through the support of UNIDO. LibanPack is an independent packaging service provider established under a former UNIDO project in Lebanon. UNIDO was formerly involved in the creation of a similar packaging service provider in **Jordan**, where along with **Palestine**, the **first StarPack competitions** were launched in this October. Besides visual and structural selection, students could also submit their concept to a new category called **“Save The Food”** for the first time. UNIDO has hold an awareness session in **Egypt to expand this competition** and as result **18 deans** of faculties from **13 different Egyptian universities** showed great interests to participate on the Arab StarPack initiative.

Title of the project: Enhancement of regional trade capacities in food through harmonized regional conformity assessment and food safety system

Country: Arab region

Donor: Swedish International Development Cooperation Agency (Sida)

Thematic areas: harmonization, institutional capacity building, risk communication, food control system



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Members of the Arab Task Force on Food Safety

Following the **second meeting of Arab Task Force (ATF) on Food Safety** in September 2016, established under the LAA, has to date 14 member countries (of the 17 PAFTA signatories), working groups in **priority areas have been setup** to enhance the food safety regime within the Arab region. As a result, ATF members will be working closely with food safety authorities in the individual countries to carry out comprehensive risk analysis for food safety, which would

include risk assessment, risk management and risk communication under the leadership of Morocco and at the same time work closely with KSA and the Gulf Countries to setup a **Rapid Alert System for Food and Feed** covering the entire GAFTA region (Greater Arab Free Trade Area).

The ATF will be working with Jordan, Egypt and Sudan to take the lead in **strengthening the border inspection points** for better trade facilitation, which could include **single window operation**. Simultaneously, the ATF will also work with the member countries to ensure **more effective and coherent participation** at the Codex meetings through the coordinated efforts led by Lebanon.

Projects at country level in the Arab region

Title of the project: Strengthening the national quality infrastructure to facilitate trade and enhance consumer protection

Country: The Republic of Iraq

Donor: The Kingdom of Sweden

Thematic areas: quality infrastructure, WTO accession, lab accreditation, certification



Group picture at the end of a training for Iraqi laboratory staff

Within the framework of a large-scale project which is mainly focusing on upgrading the **national quality system** of Iraq as a whole, UNIDO is also implementing a specific food safety component, aiming at **upgrading selected border control points** as well as **food-processing enterprises**. Overall, this component supports the **strengthening of the national food safety control system** following international best practices as to create an enabling environment needed for a better trade performance and consumer protection in this sector.

Within the interventions at **two selected border control points**, the project is targeting the **upgrade of the applied inspection system** to an internationally recognized, risk-based system, as well as the implementation of a sampling system. Furthermore, the project is currently in the process of upgrading **five selected food testing laboratories**, which are associated to the testing of samples taken at border control points, towards accreditation against ISO 17025.

To **strengthen the Iraqi private sector** and to ultimately thereby also enhance **consumer protection** in the country, the project is furthermore upgrading **eight selected food-processing enterprises towards HACCP certification**. Striving towards this goal, the competencies of enterprise staff are improved, lab and hygiene equipment are provided, and the enterprises are getting technical assistance in implementing the management and technical requirements of HACCP.

Title of the project: Retrieving the livelihood of Gaza's strawberry producers through increased market-compliance and new techniques in value addition and productivity (Preparatory Assistance)

Country: State of Palestine

Thematic areas: Technology transfer, product certification, market access

UNIDO has initiated a preparatory assistance after it was approached by the Office of the Quartet to support Gazan strawberry cooperatives through value addition based on a **technology transfer** in the form of a freezing facility, as



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well as upgrade of primary production practices based on food safety and hygiene standards. A large international buyer, Agrana has also initiated discussions with UNIDO, and acknowledged his future role as a potential purchaser and partner in providing the necessary know-how for the new technologies. Accordingly, UNIDO has conducted a **feasibility study for the freezing facility** and conducted a **consultative process** with the inclusion of the cooperatives and Agrana on the business/ownership model of the facility. Taking into consideration also the current challenges of Gazan strawberry producers, such as resource scarcity and recent plant diseases, UNIDO has **developed a project document** and looks for funding partners.

Title of the project (pipeline): Upgrading the Sudanese Sesame seeds value chain

Country: The Republic of the Sudan

Donor: STDF

Thematic areas: SPS, national quality infrastructure

This project aims to **increase export revenues of sesame-seed in Sudan** by improving the quality of sesame-seed, increasing capacity to comply with food safety and sanitary and phyto-sanitary requirements, and enhancing market access to value-added markets. The project encompasses a series of interventions, based on a value chain approach, involving stakeholders from sesame-seed farmers, post-harvest handlers, facility owners, exporters, cooperatives and sesame-seed producer/exporter associations, etc. Stakeholders in the sesame-seed value chain including small farmers (of which many are women) will play a key role in implementation of activities. The project will engage **public and private partnership** for promoting sesame-seed exports to value added markets. Local government departments take responsibility in extension and training, and related ministries responsible for **demonstrating compliance with the SPS requirements for trading partners**.

Ensuring compliance with SPS measures necessitates an effective national quality infrastructure system (NQIS) aimed at defining quality requirements and providing acceptable evidence, recognized at the international level, that products, services, processes, conform to such quality requirements. Therefore, this project will **assess the current NQIS** and identify gaps with regard to what the country will need in terms of quality infrastructure and a strategy and action plan for filling the gaps will be formulated.

Asia and Pacific – Country level projects

Title of the project: Trade capacity-building in the Mekong Delta countries of Cambodia and Lao People's Democratic Republic through strengthening institutional and national capacities related to standards, metrology, testing and quality (SMTQ) phase III

Country: Kingdom of Cambodia, Lao People's Democratic Republic

Donor: Norad

Thematic areas: Quality infrastructure development

In 2003, UNIDO with a financial contribution from the Government of Norway through NORAD launched a project (termed the Mekong project) on Trade Capacity Building in the Mekong Delta Countries of Cambodia, Lao PDR and Vietnam. The project focused on the **strengthening of institutional and national capacities related to Standards, Metrology, Testing and Quality (SMTQ)** with the major objective of supporting the continued growth of the industrial sector of the identified countries to face the competitive challenges arising from globalization.

Mekong Phase I that was carried out during the period 2003 to 2005 focused on awareness creation, the legal framework, policy and institutional building. The awareness creation centered on the importance of SMTQ for industrial development and demonstrated how the absence of such capacities can act as a significant non-tariff barrier to trade. During this phase a critical assessment was carried out in Cambodia, Lao PDR and Vietnam to assess the SMTQ

institutional infrastructure and capacity building initiated in identified institutions. Phase II of the project that was implemented during the period 2006 to 2010 provided assistance for further strengthening of the SMTQ institutional infrastructure and national capacities.

Phase III has been implemented since 2011 to consolidate the achievements of Phases I and II, and address the remaining institutional and capacity building gaps. **Microbiological Testing Laboratory of Food and Drug Quality Control Centre** has been supported for accreditation.

Title of the project: Strengthening the National Quality Infrastructure (NQI) for trade in the Republic of the Union of Myanmar

Country: The Republic of the Union of Myanmar

Donor: Norwegian Agency for Development Cooperation (NORAD)

Thematic areas: food safety standards in industrial sector, institutional capacity building, food control system, standards and conformity assessment.



Food Safety team at work in a Beans Export Company

The Republic of the Union of Myanmar has engaged in **upgrading its National Quality Infrastructure (NQI)** to increase export competitiveness and stimulate trade and export led growth, as well as to **foster the development of value added food products** and the diversification of food products and markets.

The project has been **promoting Food Safety Management Systems (FSMS)** through conduction of awareness workshops. As a pilot, the project is currently **supporting 11 companies**, including the major retail chain City Mart, to adopt relevant international standards under the GFSI's Good Markets framework. Until the end of the project it is expected that 20 companies become enrolled and certified (basic / advanced). Capacity of six national consultants is being developed through training and qualification (CIEH). The experts have been capacitated to **provide technical support to exporters and stakeholders on quality and compliance with SPS requirements**. In view of enabling the establishment of a national food quality services unit in a near future, the project is closely collaborating with MFPEA and (the Food Science and Technology Association Myanmar (FoSTA), to **create a network of resource persons** and to organize the delivery of services for food technology/ safety on a cost-recovery base.

The UNIDO project is supporting the Food and Drug Administration (FDA), Ministry of Health, through specific training and tailored technical assistance in order to **strengthen the official food safety control system** (inspection). In August 2016, **50 food safety inspectors were trained** on the relevant international standards related to the food safety framework and official controls in the field of Food Safety Risk Analysis. To further support the national counterpart, an orientation document of the action plan for **integrated Risk-Based Approaches (RBA)** and **Sanitary and Phytosanitary Agreement (SPS, WTO)** control system application is being drafted.

In view of the significant demand registered on the ground and following demonstrated interest of counterparts and stakeholders, UNIDO is currently looking into possibilities to launch a phase II project intervention in line with the UNIDO Sustainable Supplier Development Programme (SSDP) which would particularly target enabling suppliers to access national and international retailers.

Title of the project: Food Safety Supervision Capacity Building for China

Country: People's Republic of China

Donor: People's Republic of China



Thematic areas: training development, institutional capacity building, food safety training

Within the UNIDO-CFDA (China Food and Drug Administration) food safety capacity building project framework, two textbook systems, namely a **food safety regulation textbook system** and a **dairy textbook on regulating dairy products and infant formula**, are being developed in line with the requirements and needs **at the regulator/inspector level and in food production domain** with the focus on risk assessment, management and communication. Through referring to the laws, regulations, and standard systems in developed countries, the textbooks will be finalized by the end of this year in order to assist in building and improving China's **national food safety system**.

In July 2016, **food safety related training to trainers** and the first **pilot training for milk-processing** enterprises and regulators were conducted in **Beijing and Inner Mongolia** respectively. Consequently two more pilot trainings have been held in **Heilongjiang and Shandong** at the end of September 2016. The pilot trainings delivered in these provinces succeeded in strengthening the current cooperation between CFDA and UNIDO, exposing China to advanced international experience and best practice, as well as contributing to the establishment of a **pool of Chinese experts** in the area of food safety. As part of an exchange programme agreed by the parties, UNIDO received two CFDA staffs to gain experience on UNIDO's food safety approach and related project implementation. This project serves as a good starting point for **continuous UNIDO intervention** in China's food safety capacity building in the form of collaborating with the Chinese Government, private sector and other essential global stakeholders.

Title of the project: Enhancing the competitiveness, productive capacities and competitiveness of the cinnamon value chain in Sri Lanka

Country: Democratic Socialist Republic of Sri Lanka

Donor: STDF

Thematic areas: SPS, vocational training development, standard development



At the CTA Grand Opening Ceremony

The UNIDO-STDF-WTO project has reached its final stage and currently in the **stage of project closure** with the end of October 2016. Since the last STDF Working Group Session, the **Grand Opening of the Cinnamon Training Academy** took place on 5th April with the participation of high-level ministers and government officials. CTA facility has received all needed equipment through the procurement process and **gained accreditation by the Tertiary and Vocational Education Commission** of Sri Lanka thus allowing the conduction of National Vocational Qualification (NVQ) training on its territory. All training materials are now available in three languages, including English, **Tamil and Sinhalese**. The **final Steering Committee** was also held on 11 October where the project has reported to the SC Members on the outcomes of the project. Based on the decision of the stakeholders, project was successfully promoted through **PR and marketing campaign** in Sri Lanka and also in Geneva under a briefing session **Spicing Up Development Assistance to Sri Lanka's cinnamon industry**. To initiate the training function of CTA, the project has supported the CTA in the conduction of **Recognize Prior Learning (RPL)** and **Enterprise Based Training (EBT)** programmes, mainly in Matara area, for more than 400 people. The training programme is ongoing after the closure of the project and negotiations are ongoing on the cooperation with the government for job creation programmes. To disseminate best practices gained during this intervention the project has developed through a contractor a promotional video on the STDF-UNIDO intervention approach SPS capacity building through value chain development.



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Title of the project: Trade Related Assistance in Sri Lanka: Increasing SMEs trade competitiveness in regional and EU markets

Countries: Democratic Socialist Republic of Sri Lanka

Donor: European Union

Thematic areas: trade facilitation, quality and food safety, SMEs development

In 2016, ITC and UNIDO will launch an EU funded project, aimed at **contributing to Sri Lanka's inclusive trade-led growth and regional integration**, through increased trade competitiveness of Sri Lankan SMEs in regional/SAARC and EU markets, which in turn also contributes to poverty alleviation.

Compliance with international quality standards and SPS requirements have become a major issue for Sri Lanka SMEs' competitiveness and market access into highly regulated markets, in particular the EU. There have been various recent interceptions in the EU of consignments of products originating from Sri Lanka, due to the presence of harmful organisms on food products.

Four areas have been identified as hampering the trade competitiveness of Sri Lankan SMEs preventing them from grasping maximum benefits from participation in international trade. Out of the 4, the ones mainly relating to SPS are: 1) **compliance with quality standards and SPS measures** and 2) **sector-specific competitiveness hurdles for SMEs** to internationalize (food and spices sector).

The project aims **strengthen the regulatory/legal, institutional quality and SPS framework**, gain international recognition of quality infrastructure and conformity assessments services (e.g. calibration, testing, inspection, accreditation, and certification) and finally **improve the technology and skills** required to comply with international market quality and sustainability standards, technical regulations and SPS measures.

At the end of the project, Sri Lanka would have moved towards establishing efficient standards, testing, certification and accreditation mechanisms that conform to the requirements of the WTO SPS and TBT agreements and enjoy international recognition.

Title of the project: Promotion of Corporate Social Responsibility (CSR) among Vietnamese SMEs towards Sustainable Consumption and Production (SCP)

Country: Socialist Republic of Vietnam

Donor: One UN (from One UN Plan Fund – OPF)

Thematic areas: consumer's issues, consumer's trust on local products, cooperation with retailers, cross-cutting issue



Participants of CSR Calendar Forum on Food Safety

The project's rada covers 6 subjects to support business to be good and to do the right things by the application of CSR holistic approach in its operation. Among those 6, Consumer topic always acts as the most catchy one for business community. In recent 2 years, 4 CSR Calendar Forum on Consumer's Issues have been organized attracting more than 400 participants, namely **"Consumer's Trust on Local Products"** and **"Food Safety – A Question of Teamwork and Trust"**. Since food safety involves cross-cutting views, the Forum normally touched various links to the problem in order to show general picture and find out better recommendations. **Association of Vietnam Retailers (AVR)** is strongly engaged in these series of events, its Chairwoman served as Keynote speaker and Moderator, while many members actively joined and shared at the Forum, including big names such as **Fivimart-Aeon, Saigon Food, Hapro**, etc.

It is noted that the long-term relationship between UNIDO and AVR has lasted for years, since the predecessor program was still funded by European Union (2009 – 2013). During that period, another 4 CSR Calendar Forum on **Consumer's**

Rights and 1 CEO Talk Show on Vietnamese products in young consumers' views were held. The events welcomed Chairwoman of AVR, representative from Consumer Protection Association and CEO of Vissan Group (one of the biggest Meat and Sausage Product Company in the country) in Panel discussion. Patent of food product was mentioned during another Forum on **Intellectual Property Right (IPR)**, in which fake labels on low quality food and beverage emerged and ignited hourly discussion.

Apart from above activities, the project also provides consultancy for business in terms of CSR. In 2015, technical assistant was asked by **Lotte Shopping Ltd. in Vietnam**, then a CSR strategy with recommendations on improving local supply chain, in particular supporting local suppliers like farmers, packaging agencies, etc. The latest consultancy work has been finished with **Orana Vietnam Ltd.** - with the brand name of Østerberg, an international supplier of fruit products for the Food Service and Catering Market.



Title of the project: Post WTO Accession Support to Vietnam: TBT/SPS Capacity Development in Key Export Sectors

Country: Socialist Republic of Vietnam

Donor: Swiss Coordination Office for the Mekong Region (SECO)

Thematic areas: food testing system, technical assistance, policy, quality standards

Vietnam has become a WTO member in January 2007 and expects benefits from greater access to international markets. To reap the full benefits of its WTO membership, Vietnam needs to comply with its commitments under the Technical Barriers to Trade (TBT) and Sanitary and Phyto-sanitary Measures (SPS) Agreements.

The objective of this project is to develop and strengthen demand-oriented Standards, Metrology, Testing and Quality (SMTQ) capacities that will enable Vietnam's export products to conform to the ever-tightening international regulations, thereby aiming to reduce technical barriers to trade. Key activities includes: upgrading **laboratory capacity** for food testing and calibration of main quality testing centers; supporting **accreditation bodies** for the accreditation of food safety-related inspection, certification and testing services and developing technical regulations. Precisely, **Food Traceability Systems for coffee** was implemented, whilst other 2 **regulations on coffee** was developed and promulgated (Technical regulation on food safety and hygiene for green coffee, Technical regulation on Coffee processing units).

Title of the project: Strengthen the supply capacity of the fruit and vegetable sector by applying proper technologies along the value chain

Country: Socialist Republic of Vietnam

Donor: OPF

Thematic areas: food safety, post-harvest loss, technology, fruit and vegetable value chain



Farmers are learning skills for packaging

The improvement of post harvest technology for agricultural production is a priority, since post harvest losses in both quantity and quality is one of the reasons preventing Viet Nam’s agricultural production from becoming more competitive. The volume of processed agricultural products is still low and processing technologies used are below international standards, and processed products only attract lower prices in international markets. The project’s effort is to improve the **quality of fruits & vegetables** and **reduce post-harvest losses** through strengthening productive capacities in terms of production techniques, management and value addition. These consequently increase the income of smallholders. Particularly, the project also ensures **technology transfer** for **conservation and packaging** purpose and skill development for related stakeholders. A pilot “excellence model” was built up with An Viet Hi-Tech Agro-product JSC, and is expected to replicate widely.

Title of the project: Study on Analysis of border rejections of agro-exports of developing countries

Country: Socialist Republic of Vietnam

Donor: Norway

Thematic areas: import rejection, seafood



Rejection rate of Vietnamese seafood to Japan and Australia

Vietnam ranks among the top-3 countries with the highest number of **import rejections** of fish and fishery products into 4 markets EU, USA, Japan, Australia. Financial losses estimated to average US\$ 14 million per year. **Bacterial contamination** is an important root cause of rejection. Other important reasons: veterinary drug residues in the EU market, hygienic conditions/controls and labeling issues in the USA, other contaminants in Japan, and veterinary drug residues and labeling issues in Australia. Such analysis and assessment of the whole chain in the international and national context to help to identify weakness in national food control systems and drive policy recommendations as well as improve enterprises’ compliance.

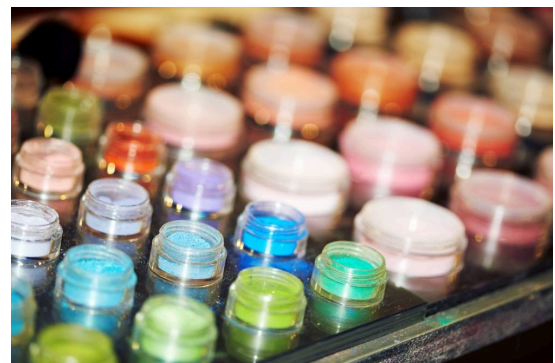
Latin America and Pacific – Country projects

Title of the project: Cosmetic Sector Quality Programme (SAFE+)

Country: The Republic of Colombia

Donor: SECO, Colombia (Ministry of Commerce, Industry and Tourism - MINCIT)

Thematic areas: NQI, SMEs development



Since 2015, UNIDO is supporting Colombia’s efforts to integrate into the regional and multilateral trading system by enhancing its trade capacities and performance. This is carried out through a quality programme aimed at the

cosmetics sector's productive chain, which is expected to strengthen the **National Quality Subsystem (NQS)**, enhance the technical capacity and improve compliance **with international quality, private and sustainability standards**. The project develops local expertise with the adequate technical knowledge to provide quality-related advisory services to the sector during and after the project duration.

Furthermore, the project works closely with key players (e.g. growers, producers/processors, exporters) to enhance their capacity to comply with standards, technical regulations and market requirements along **the natural ingredients value chain for cosmetic production**. The support is being provided in collaboration with public and private sector institutions including chambers of commerce, sector associations, etc.

Title of the project: Improving productivity and competitiveness of shrimp value chain in LAC

through regional cooperation

Countries: The Republic of Colombia, The Republic of Nicaragua

Donor: OPEC Fund for International Development

Thematic areas: Quality and Food Safety, SMEs development



UNIDO's technical assistance focuses on strengthening the **quality and food safety management systems** to comply with **national, regional and international quality and food safety requirements**. Marketing strategies are developed that allow re-establishing and extending export markets of diversified products. Furthermore local training workshops are organized which strengthen capacities in **Good Manufacturing Practices, SOP, EMS, HACCP, Biosafety**. In addition, support in the acquisition of materials and equipment in order to strengthen analytical capacities for quality control and fulfilment of exports requirements is provided. Lastly, national inspection agencies receive support in improving their inspection capacities through local training workshops and the acquisition of materials needed to strengthen the infrastructure and logistics for certification of exports through closer ports.

Overall, the project will benefit actors in the various segments of the shrimp value chain in all participating countries, particularly small shrimp farmers, shrimp cultivating companies, input and feed providers, processors, transporters and marketers contributing to a systemic (value chain-based) competitiveness and enhanced productivity. Furthermore, it will foster synergies and partnerships between the public, private and R&D-based institutions and improve linkages of local businesses to national, regional and global markets.

Title of the project: Traceability Programme for Ecuador

Countries: The Republic of Ecuador

Donor: UNIDO Trade Fund

Thematic areas: Traceability, Quality and Food Safety, SMEs development

Agro-industry is, except for the petroleum industry, the most important component of the Ecuadorian economy. In order for that sector to develop its full potential for contributing to the economic and social development of the country, exports to international markets need to be promoted. However, a pre-condition for access to such markets is the traceability of agro-industrial products. Therefore, the Government of Ecuador turned to UNIDO for assistance with the design and implementation of a Traceability Programme for the Agro-industrial Sector.

The project is based on UNIDO’s well established holistic traceability model, which encompasses not only traceability, but also value chain upgrading, supplier development and compliance with standards and market requirements; human resource qualification and competency development; collection and dissemination of information and knowledge, policy advice, etc.

The direct end beneficiaries of this intervention are agribusinesses and agro-industrial producers of all sizes throughout the country. Having traceability functioning in the country will permit exports to attractive markets and thus the generation of added revenue, which in turn makes possible the growth of the sector. The resulting employment generation clearly will contribute to the improvement of living conditions, in particular for women who are abundantly represented in the target sector. In addition, local producers will also benefit from improved quality and safety of products.

UNIDO Global Engagement

GFSI-UNIDO Sign Memorandum of Understanding

Countries / Regions: People’s Republic of China, Southeast Asia, Africa

Thematic areas: Global Markets Protocol



MoU signing ceremony between UNIDO and GFSI

After a long collaboration originally commenced under the Sustainable Supplier Development Programme (SSDP) project in Malaysia, UNIDO and the Global Food Safety Initiative (GFSI) have signed a **Memorandum of Understanding (MoU)** to indicate their commitment to a large-scale partnership for food safety. This ceremony took place at the gathering of the world’s consumer goods industry leaders at the CGF Global Summit on 15 June in South Africa. This partnership aims to implement “**a roadmap for scaling up**” the GFSI Global Markets Programme (GMP) by developing large-scale food safety capacity building project in a number of key regions in the global food supply network. This roadmap focused on food safety capacity programme will be implemented in a number of **key geographical areas**, first of all, starting with **China, Southeast Asia and Africa**.

- In China, the partnership aims to scale up food safety capacity building for local food enterprises in line with SSDP and establish the country’s own China Food Safety Initiative (CFSI);
- In South East Asia, the aim is to initiate a regional SSDP programme, scaling up the UNIDO-AEON Malaysia SSDP programme into a multi-country, and multi-buyer initiative.
- In Africa, the project will benefit from a strong UNIDO presence to design and build a joint UNIDO-GFSI multi-country, multi-buyer project for Africa on capacity building.

Global Food Safety Partnership

Country: Global

UNIDO has continued its support to the Global Food Safety Partnership (GFSP) as a member of the Governing Council.

