



**ADB-UNESCAP Brainstorming Meeting on Sanitary/ Phytosanitary Priorities and Challenges in South Asia Subregional Economic Cooperation (SASEC) Countries**  
24-25 November 2013: Bangkok, Thailand

**Summary of Conclusions and Recommendations**

**I. Introduction**

1. The ADB-UNESCAP Brainstorming Meeting on Sanitary/ Phytosanitary (SPS) Priorities and Challenges in SASEC Countries (the Meeting) was held on 24-25 November 2013 at Bangkok, Thailand. Dr. Mia Mikic, Chief, Trade Policy and Analysis Section, Trade and Investment Division, United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), and Mr. Ronald Antonio Butiong, Unit Head, SASEC, Regional Cooperation and Operations Coordination Division, South Asia Department, Asian Development Bank (ADB), welcomed the participants and opened the Meeting.

2. Delegations from four SASEC members (Bangladesh, Bhutan, India, and Nepal), the Maldives, Myanmar, and Sri Lanka attended, together with staff/ consultants of ADB and UNESCAP. The various sessions were co-chaired by Mr. Rajan Sudeh Ratna, Economic Affairs Officer, Trade and Investment Division, UNESCAP, and staff from ADB's South Asia Regional Department, as well as representatives from CWS, FAO, IPPC, IIFT, IPS, SAARC, SAWTEE, WTO, and STDF. The Agenda of the Workshop is in **Attachment 1**. The list of participants of the Workshop is in **Attachment 2**.

3. The objectives of the Workshop were to: (i) identify a coordinated approach and preliminary priorities to address issues relating to sanitary/ phytosanitary (SPS) measures and technical barriers to trade (TBT), with guidance of international experts; (ii) establish preferences and priorities for necessary diagnostics and studies in identification of such standards or regulations; (iii) identify initial needs-based capacity building activities (including timelines) in the area of standards and regulations; (iv) table suggestions for potential funding sources for priority investments in implementing necessary infrastructure and other allied areas; and (v) optimize potential regional benefits in developing regional standards/ regulations and a coordinated way forward for cooperation under SASEC.<sup>1</sup>

4. The delegations presented overview updates on each country's SPS/ TBT situation, which revealed common issues/ constraints faced in improving trade with partners, relevant institutional frameworks, legal/ regulatory frameworks, and inadequate infrastructure (e.g., lack of facilities such as testing laboratories). The countries noted the need to undertake broad national diagnostics, and to improve coordination mechanisms among various agencies dealing with SPS/ TBT issues. They also raised the need to enhance capacities over a broad range of SPS/ TBT activities, and noted the limited technical and financial resources generally available to meet these needs. Presentations by international organizations<sup>2</sup> highlighted their track record

<sup>1</sup> In close collaboration with and mutual understanding of the work of other organizations and development partners in the region.

<sup>2</sup> Organizations represented at the Workshop: Center for WTO Studies (CWS), Food and Agriculture Organization of the UN (FAO), Indian Institute of Foreign Trade (IIFT), Institute of Policy Studies of Sri Lanka (IPS), International Plant Protection Convention (IPPC), South Asian Association for Regional Cooperation (SAARC) Secretariat, South Asia Watch on



in providing capacity development, advisory and other services in this area, which could assist in building a solid foundation for development of Mutual Recognition Arrangements (MRAs), Equivalence, Conformity Assessment Procedures, Accreditation and Regionalization, among others.

## II. Conclusions and Recommendations

5. The delegations presented national-level proposals detailing strategic approaches, practical measures, capacity building requirements, and next steps in the promotion of regional standards and regulations,<sup>3</sup> and discussed their merits based on practicality and implementation requirements in relation to the earlier identified constraints.<sup>4</sup> The presentations revealed common SPS/ TBT issues facing the countries, and pointed out possibilities for coordinated approaches, as follows:

- a. Based on country reports, the following products were identified as potential export products being constrained by SPS/ TBT issues (detailed country reports are in **Attachment 3**).

Country	Identified Products
Bangladesh	Jute/ jute products, textile, turmeric, pickle, fruit juice (mango, pineapple), lemon, potato, vegetables, processed food, fish and shrimp, processed fish, citrus fruit
Bhutan	Herbal/ medicinal products, ginger, mushroom, potato, chili, asparagus, handmade paper, natural honey, red rice
India	(i) Fish and crustaceans, (ii) residues and waste from food industries, prepared animal fodder, (iii) coffee, tea, mate, and spices, (iv) meat and edible meat offal, (v) lac: gums, resin, and other vegetable saps and extracts, (vi) edible fruit and nuts, (vii) sugars and sugar confectionery, (viii) oil seeds and olea fruits, (ix) edible vegetables and certain roots and tubers, (x) preparations of vegetables, fruit nuts or other parts of plants
Nepal	Tea, ginger, cardamom, pulses, herbs, dairy products (to India) and honey to the EU
Maldives	Fish/ fishery products (chilled yellow fin tuna, canned tuna, reef fish) mainly to EU, and dried fish, salted fish to non-EU markets
Myanmar	Rice (mostly to Africa, need to diversify), beans and sesame
Sri Lanka	Processed food and foliage plants to India; tea, cinnamon, cardamom, cloves, coconuts, nutmeg (to European Union mostly)

- b. **Actions taken to address issues:** Actions too often taken on a needs/ product basis rather than based on a structured approach; assistance from international agencies has been tapped; in some cases, testing laboratories have been set-up;

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Trade, Economics and Environment (SAWTEE), and World Trade Organization (WTO)/ Standards and Trade Development Facility (STDF).

<sup>3</sup> The strategic approach covered the (i) identification of main products for which full trade potential is unrealized due to SPS/ TBT issues and measures, and (ii) actions taken by the country to address these issues, including measures taken and agencies assisting in this program. Practical measures included identifying constraints faced in addressing compliance with SPS/TBT, the gaps in implementing compliance with these measures, the preferred time schedule for completing national diagnostics, and the outline of a broad Terms of Reference (TOR) for the needed diagnostics. Capacity building involved identification of initial priority areas of research, and areas of required training and target audience. For next steps, participants discussed the need for a more extensive SPS/TBT Knowledge Sharing Forum (Q1 2014), and the utility of establishing the SASEC SPS/ Standards Trade Facilitation Sub-Group (and the possible basic elements of the Sub-Group's TOR).

<sup>4</sup> These also provide possible options for addressing SPS/ TBT issues within the mandate of the South Asia Regional Standards Organization (SARSO).



- c. **Constraints faced in compliance with SPS/ TBT:** Most countries reported lack of appropriate technical knowledge on SPS/ TBT issues; lack of stakeholder awareness throughout the supply chain; financial and human resource constraints; inadequate infrastructure (testing/ laboratory facilities); lack of fully functional accreditation bodies; and coordination and management issues (across sectors), including information dissemination.
  - d. **Time frame for completion of national diagnostics:** This ranged from 6 months to 3 years beginning in Q1 2014.
  - e. **Key elements of broad Terms of Reference (TOR) for necessary diagnostics:** To identify/ confirm list of SPS/ TBT sensitive traded products; to review existing legislation and gaps between local practices versus international best practices; to examine role of stakeholders across the supply chain; to identify infrastructure and capacity building requirements; to formulate an action plan with time frame, followed by consultations; to determine the need for a database of SPS/ TBT standards, legislation and procedures, and recommend an efficient approach to its development; and to identify sources of technical assistance for local agencies.
  - f. **Priority areas for training/ capacity building:** Research could focus on SPS/ TBT regimes (e.g. agriculture and livestock), accreditation schemes, and barriers faced by SMEs; training could focus on laboratory testing, inspection/ certification processes, equipment modernization, pest risk analysis, phytosanitary treatments, standards harmonization, food safety/ sanitation frameworks, database management, network development, and reporting mechanisms.
  - g. **Next Steps:** The countries all agreed on the need for a more extensive SPS/ TBT Knowledge Sharing Forum (KSF) in Q1 2014. They also agreed that a SASEC SPS/ TBT Facilitation Subgroup (the “SPS/ TBT Subgroup”) would be an effective forum for sharing SPS/ TBT experiences in detail. While the basic TOR of the SPS/ TBT Subgroup would be further elaborated at the KSF, some initial suggested functions include reporting/ information sharing on SPS/ TBT trends, emerging issues and scenarios; setting of research agenda; regional standards development (with SARSO); review/ accreditation of certification bodies (with potential to move toward MRA development); and database development. Suggested draft TOR is in **Attachment 4**.
6. It was noted that a regional grouping of South Asian countries could form an effective alliance leading to stronger common representation and leverage in negotiations involving standards with trading partners. It was also noted that various independent SPS/ TBT databases are not optimally utilized. It was proposed that a knowledge directory on SPS/ TBT issues be developed as part of the SASEC website to serve as a centralized repository, and effectively exchange and disseminate information.
7. The participants thanked ADB and UNESCAP for hosting and organizing, and also providing technical support to the Workshop.

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