SPS and TBT issues: Perspective Bangladesh

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**Bangladesh at a Glance**

- **Official Name**: People’s Republic of Bangladesh
- **Population**: 153.6 million (2012-13 est.)
- **Area**: 147,570 km²
- **Time Zone**: GMT+6 Hours
- **GDP total**: USD 114.00 blns (FY 2012-13)
- **GDP Per Capita**: USD 923 (FY 2012-13)
- **Total Exports**: USD 27.03 bln (FY 2012-13)
- **Total Imports**: USD 34.0 bln (FY 2012-13)
- **Total FDI**: USD 1.136 bln (2012)
- **Forex Reserve**: USD 15.0 bln (2013)
- **Currency**: BDT 78.0 /US$ (Sept, 2013)
- **Revenue to GDP**: 13.5%
- **Share to GDP**: Service- 50%,
Success Stories of Bangladesh

- Sustained GDP growth of more than 5% for two decades
- Second largest exporter of apparels after China
- Ranks 39th in women empowerment
- Included in the list of ‘Next Eleven’ after BRIC-Goldman sach’s report in 2005
- Ranks 6th in the Global Top Providers’ list of ICT software- Desk Online Job Report, 2010
SPS Agreement of the WTO

- WTO has many Agreements – one of the Agreements is Agreement on Application of SPS (Sanitary & Phyto-sanitary) Measures (SPS Agreement)

- “Sanitary measures” are related to life or health of humans or animals

- “Phyto-sanitary measures” are related to life or health of plants

- The overall objective of the SPS Agreement is to establish a discipline in imposing and administering SPS measures
According to the SPS agreement every WTO member has rights to impose SPS measures for protecting human, animal and plant health & life, and also environment

SPS measures can be of various forms, like

- Products to come from disease-free area
- Inspection of products
- Specific treatment or processing of products
- Setting of allowable maximum levels of pesticide residue or permitted use of only certain additives in food
Requirements of the Agreement

- **SPS measures**
  - Can not be applied discriminately
  - Can not be aimed at creating obstacles to trade
  - Can be only up to the extent necessary for protecting human, animal and plant health & life

- **SPS measures must be**
  - Justified by scientific principles & evidences, or
  - Based on international standards
SPS Regime in Bangladesh

- A lot of legislations and organizations are involved
- Main legislations for food safety, animal health and plant health are:
  - The Pure Food Ordinance, 1959
  - The Bangladesh Standards and Testing Institution (Amendment) Act, 2003
  - The Iodine Deficiency Disorders Preventions Act, 2005
  - The Fish Protection and Conservation Act, 1950
  - The Fish and Fish Product (Inspection and Quality Control) Ordinance, 1983
Legislations.....

- The Animal Slaughter (Restriction) and Meat Inspection Act, 2005
- The Pesticide Ordinance, 1971
- The Marine Fisheries Ordinance, 1983
- The Animal Disease Act, 2005
- The Animal and Animal Products Quarantine Act, 2005
- The Destructive Insects and Pests Rules (Plant Quarantine), 1966
- The Agriculture Product Act, 1964
Organizations involved

Public Sector Organizations

- Ministry of Health and Family welfare and attached Departments
- Ministry of Agriculture and attached Departments
- Ministry of Fisheries and Livestock and attached Departments
- Ministry of Environment and Forest
- Ministry of Commerce and attached Departments
- BSTI (Bangladesh Standardization and Testing Institutions) under the Ministry of Industries
- Different laboratories under different Ministries
Leading Trade Bodies

- FBCCI (Federation of Bangladesh Chambers of Commerce & Industries) – Apex trade body
- Various Chambers of Commerce
- Specialized Associations
  - Bangladesh Frozen Food Exporters’ Association
  - Bangladesh Agro-Processors’ Association
  - Bangladesh Fresh Vegetables Exporters’ Association
SPS Measures on Imports

- Bangladesh maintains few SPS measures on imported products
- In case of imports of food items:
  - certificate, declaring the safety of food for human consumption, is required
  - radiation test before shipment is required
- In case of imports of plants, plant products and animals, quarantine procedures need to be followed
SPS Measures on Exports

- Bangladesh exports frozen foods and agro-products to countries that are subject to SPS measures.

- The Fish Inspection and Quality Control Wing of the Department of Fisheries has introduced HACCP in fish processing industries.
  - Carries out regular inspection of hygiene and sanitation of processing plant premises to verify HACCP related records.
  - Certify the export consignments.

- Exports of plant and plant products are also certified by the Quarantine Department of Agriculture Directorate.
SPS Measures on Exports

- Frozen food sector is trying to maintain all the requirements of export markets, like EU and USA

- Importers want our fish/shrimp to be
  - safe for consumption
  - free from:
    - Pathogenic bacteria
    - Prohibited antibiotics (nitro furans & chloromphenical)
    - Other hazardous chemicals (like Pesticides, Hormones)

- It is a great challenge to maintain the hygiene and sanitary requirements at all level, from the growers to exporters
Agreement on TBT

Agreement on TBT (Technical Barriers to Trade) has been introduced to establish a discipline for dealing with TBT issues

Objectives:

- Prevent creation of unnecessary technical barriers to trade
- Establish rules for technical regulations, standards & conformity assessment
- Take international standards, guides or recommendations as far as possible into consideration
- Ensure transparency
Agreement on TBT...

• Agreement on TBT acknowledges each country’s rights to regulate:
  - quality of products
  - protection of human life, health, animal or plant life
  - protection of the environment
  - prevention of deceptive practices
  - protection of legitimate, essential security interests

• Requires that standards not to creating unnecessary obstacles to trade
Unnecessary obstacles

- When a regulation is more restrictive than necessary to achieve a policy objective
- When it does not fulfil legitimate objective
- When the objective can be achieved through alternative measures with less trade-restrictive affects
- When a stricter or more time-consuming procedures of compliance are adopted
- When the conformity assessment (like lab) facilities are not suitably located
Avoiding unnecessary obstacles

• Measures and procedures basing on scientific principles and evidences
• Harmonizing measures by using existing international standards and procedures
• Participation in the development of international standards
• No more information than necessary is demanded
• Testing facilities are conveniently located
Challenges

Most of the barriers or obstacles resulting from SPS and TBT measures are due to lack of:

- appropriate knowledge on the issues
- knowledge and awareness about trading partners’ requirements
- simplification, standardisation and harmonisation of SPS procedures
- capability to comply
- expertise
- appropriate laboratory and testing facilities
Priorities for Bangladesh

- Building awareness among all the relevant stakeholders about the rules and regulations on SPS and TBT
- Enhancing overall compliant capability
- Developing and improving legal and institutional infrastructure, laboratory and testing facilities
- Enhancing coordination among the relevant organizations and stakeholders
Priorities for Bangladesh

- Creating adequate human resource and expertise on SPS and TBT issues
- Developing a mechanism for maintaining update information
- Increasing and diversifying exports by complying with SPS and TBT measures
Thank You