

SPS Balance Sheet for Cambodia

Strengthening links between supply and demand of SPS-related technical assistance in a sub-group of ASEAN countries (Stage 2)

Research work for the Standards and Trade Development Facility

Kees van der Meer
Laura L. Ignacio

**This report reflects the views of the author alone and does not represent the
views of the STDF or any of its partner agencies or donors.**

Abbreviations and Acronyms

AADCP	ASEAN-Australia Development Cooperation Program
ACIAR	Australian Centre for International Agricultural Research
ACMECS	Ayeyawaddy-Chao Phraya-Mekong Economic Cooperation Strategy
ADB	Asian Development Bank
AI	Avian influenza
APEC	Asia-Pacific Economic Cooperation
APHIS	Animal and Plant Health Inspection Service (United States)
APO	Asian Productivity Organization
ASEAN	Association of Southeast Asian Nations
AusAID	Australian Agency for International Development
CAMCONTROL	Cambodia Import Export Inspection and Fraud Repression Department
CIDA	Canadian International Development Agency
CLV	Cambodia, Lao PDR, Vietnam
CLMV	Cambodia, Lao PDR, Myanmar, Vietnam
CSF	Classical swine fever
DAALI	Department of Agronomy and Agricultural Land Improvement
DAHP	Department of Animal Health and Production
DANIDA	Danish International Development Agency
DDF	Department of Drugs and Food
DFID	Department for International Development, United Kingdom
DTIS	Diagnostic Trade Integration Studies
EC	European Commission
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
FiA	Fisheries Administration
FMD	Foot and mouth disease
FVO	Food and Veterinary Office
GAP	Good agricultural practice
GDP	Gross Domestic Product
GHP	Good hygienic practice
GMP	Good manufacturing practice
GMS	Greater Mekong Subregion, includes Cambodia, China (Yunnan Province and Guangxi Zhuang Autonomous Region), Lao PDR, Myanmar, Thailand and Viet Nam
HACCP	Hazard Analysis and Critical Control Points
HPAI	Highly pathogenic avian influenza
IF	Integrated Framework for Trade-Related Technical Assistance to least developed countries
IPM	Integrated pest management
IPPC	International Plant Protection Convention
JICA	Japan International Cooperation Agency
Lao PDR	Lao People's Democratic Republic
MAFF	Ministry of Agriculture, Forestry and Fishery
MDTF	Cambodia Multi-Donor Trust Fund
MOH	Ministry of Health
MOC	Ministry of Commerce
MIME	Ministry of Industry, Mine and Energy
Multi	multi-country
NSDP	National Strategic Development Plan

MUTRAP	Multilateral trade assistance project
NORAD	Norwegian Agency for Development Cooperation
NPPO	National plant protection organization
NZ	New Zealand
NZAID	New Zealand's International Aid & Development Agency
OECD	Organisation for Economic Co-operation and Development
OIE	<i>Office International des Epizooties</i> or World Organisation for Animal Health
PCB	Phytosanitary capacity building
PRA	Pest risk assessment
RPS	Regional partnerships scheme
SEAFMD	Southeast Asian Foot and Mouth Disease Control Programme
SMTQ	Standards, metrology, testing and quality
SPS	Sanitary and phytosanitary
SPSCBP	The Sanitary and Phytosanitary Capacity Building Program
STDF	Standards and Trade Development Facility
TA	Technical assistance
TAD	Transboundary animal disease
TBT	Technical barriers to trade
TCP	Technical Cooperation Programme
TRADE	Trade Related Assistance for Development and Equity
UNIDO	United Nations Industrial Development Organization
UNDP	United Nations Development Programme
WB	World Bank
WHO	World Health Organization
WTO	World Trade Organization

1. Introduction

1. The objective of this STDF research work is to strengthen the linkage between "supply" and "demand" of technical cooperation in the area of food safety, animal and plant health (collectively known as sanitary and phytosanitary or SPS) requirements. As such, this research is being carried out in the framework of the broader Aid for Trade initiative. The work builds on existing capacity assessments in the SPS area conducted by international organizations such as the Food and Agriculture Organization (FAO) as well as other studies and reports. It is not a capacity evaluation, but rather an attempt to consolidate the results of previous studies.

2. This report presents a balance sheet of needs and supply in the SPS area for Cambodia. Similar balance sheets have been developed for Lao PDR and Vietnam. The aim of the report is to establish the linkage between supply and demand for SPS-related technical cooperation by:

- acting as a vehicle for information sharing of needs evaluations and ongoing and planned activities; and
- identifying gaps where they exist and further mobilizing the provision of capacity building resources as necessary.

2. Overview of SPS needs

3. Cambodia has witnessed robust and steady macro-economic growth averaging 7 per cent annually over the past ten years. Economic growth has lifted over 10 per cent of the population out of poverty in the same period. In June 2006, the Government adopted the National Strategic Development Plan (NSDP) 2006–2010. The NSDP recognizes agriculture as crucial to further progress in improving incomes. Agriculture is the linchpin of the Cambodian economy. It accounts for 30% of GDP and employing more than 60% of the workforce. The NSDP places the focus in the agriculture sector on intensifying crop production to increase yields and rural incomes, diversification of crops, improving fisheries management, sustainable management of forestry, environment conservation and carrying out of land reforms, particularly to ensure land tenure to the poor. As part of this process, development of a comprehensive strategy for the agriculture sector is proposed.

4. In 2001, Cambodia was one of the first Least Developed Countries to undertake a Diagnostic Trade Integration Study (DTIS) as part of the Integrated Framework. An update of the DTIS was completed in 2007 which underscored the link between trade and human development and poverty reduction. The update identified nineteen product sectors of export potential on which to focus strategies. Among these, nine were agrifood products (rubber, cashew nuts, cassava, corn, fishery, fruits and vegetables, livestock, rice and soyabeans). Among the strategies identified as necessary to stimulate export growth was better management of SPS issues.

5. SPS issues in Cambodia are important for the development of the agriculture sector (by reducing losses from pests or diseases), to protect public health (by reducing the incidence of food-borne and zoonotic diseases) and for market access (permitting export growth by satisfying the SPS requirements of trading partners). However, assessments of SPS needs for Cambodia are fragmented. SPS received little concerted attention in the NSDP or the DTIS and no SPS Action Plan has been made for Cambodia, as for Laos and Vietnam.

6. Public health concerns include diseases that are either food-borne or zoonotic such as highly pathogenic avian influenza (HPAI). The poor food safety situation in Cambodia results in important health hazards and economic losses due to cost of illness and loss of healthy and productive life. The WHO's Death and Disability Adjusted Life Years estimate for diarrhoeal disease is 2,801 per 100,000 inhabitant for Cambodia. Diarrhoea was the second highest cause of morbidity in 2000. The absence of a coordinated programme of surveillance of food borne disease at the national level makes it difficult to report morbidity and mortality arising from ingestion of contaminated foodstuffs. However, it was estimated that hospital admissions for diarrhoea and dysentery syndromes represented 5% of total hospital admissions for 2002 with a fatality rate exceeding 3% for these two diseases.

7. Inappropriate use of pesticides in the production of fresh food and vegetables is a food safety hazard, an occupational safety issue for farmers and a concern for water supplies and eco-system health. Excessive use or use of unapproved pesticides may also limit Cambodia's access to developed country markets for products such as soybeans, rice, corn, fruits and vegetables.

8. An estimate is that more than third of the volume of agri-food export is associated with a high SPS risk, mostly plant health-related given the predominance of plant products in Cambodia's export basket (64% of total exports in 2004 were phytosanitary risk sensitive). Rice is the mainstay of the Cambodian agricultural economy. Rice production in Cambodia has increased rapidly in the past decade due mainly to improved productivity and area expansion. Cambodia has developed into a net rice exporter. However, productivity is undermined by a large number of weeds, insects and diseases. Insect pests include brown plant hopper, armyworm, caseworm, leaf-folder, stem borer and gall midge. Diseases include blast, brown spot, sheath rot and sheath blight, bacterial leaf streak, bacterial blight and tungro. Overall, the presence of twenty quarantine rice pests (twelve insects, one virus, one fungus, six weeds) was reported in Cambodia. Control of the pest and disease situation will improve agricultural productivity and may help resolve export problems which have arisen, notably with China. In December 2004, China added additional requirements for rice imported from Cambodia and as a result of these actions, Chinese imports of Cambodian rice have stopped.

9. Raw cashew nuts have been identified in the DTIS as a product with medium export development opportunities. Demand is increasing on world markets and prices for raw cashew nuts have risen 50 % within past 5 years. Cambodia enjoys duty and quota-free access with most trading partners. However, productivity of plantations is below its potential and not helped by the presence of Cashew Stem and Root Borer, the Tea Mosquito Bug and *Aleurocanthus woglumi*. Training and laboratory capacity to control mycotoxin contamination are required to ensure access to high return markets for the processed product.

10. Export expansion opportunities for the livestock sector were assessed as low in the DTIS 2007 due to the prevalence of various animal diseases, including Foot and Mouth Disease (FMD), Classical Swine Fever (CSF), Newcastle Disease and Highly Pathogenic Avian Influenza (HPAI). Animal disease also affect domestic trade and public health through lower productivity and reduced income for producers as well as through risks to human health associated with zoonoses. Cambodia reported 20 outbreaks of HPAI in the period 2003-April 2008 and a total of seven human fatalities in the same period. Opportunities for official exports of ruminant, pig and poultry products are severely limited by these animal diseases. Livestock trade which does take place thus tends to be unregulated and conducted on an informal basis through porous border areas.

11. Cambodia's fisheries sector encompasses extensive freshwater fisheries within floodplains, river and lakes, marine fisheries, rice field fishery and some aquaculture. Cambodia enjoys high export potential in fishery products and is expanding fast – an almost 30% increase in Cambodia's fish exports was recorded between 2001 and 2005. The export of shrimp and tuna to Japan has grown to a value of approximately US\$ 10 million annually.

12. A barrier to further export growth in the fisheries sector, in particular to high value OECD countries, relates to sanitary conditions in the Cambodian fisheries sector. Cambodia is not included in the list of countries approved for export to the EU and its fish and fish products have been banned since 1997. A number of conditions must be met to obtain approval, including giving the Department of Fisheries the legal basis to function as the competent authority, ensuring compliance with standards such as antibiotics residues, hygiene etc and health certification in line with the OIE standards. Additionally, since 2004, the EU has banned the import of tuna and swordfish from Cambodia and a number of other countries as a result of concerns over failure to respect conservation rules.

13. Cambodia became a member of WTO on 13 October 2004. As part of its accession process, Cambodia was granted a transition period until 1 January 2008 in which to comply with all the obligations of the SPS Agreement. There is a law on food safety "Law on the Management of Quality and Safety of Products and Services" but for plant health and animal health there are only sub-decrees and no parliamentary-level law. There are many deficiencies in the regulations. For plant quarantine, for example, the existing sub-decrees do not provide a mandate to the Plant Quarantine office to be the National Plant Protection Office (NPPO). The sub-decrees for animal health do not provide provisions for enforcement which is necessary for the monitoring of inputs such as veterinary drugs and animal feed, among others.

3. Overview of ongoing and planned donor assistance

14. Donor assistance to Cambodia in the SPS area has grown over the past five years. In the period 2001-2006, Cambodia benefited from fourteen country projects (valued at about US\$15.5 million). Table 1 below gives an overview of SPS assistance received in the period 2001-2006. Noteworthy projects include EC support to the livestock sector, the avian influenza projects of FAO, supported by the US and Germany, and EC MUTRAP assistance for WTO accession.

Table 1. Direct SPS assistance received by Cambodia, 2001-2006

Number of projects		Value of Projects	(US\$'000)
Food safety	2	Food safety	301
Animal health	3	Animal health	6,931
Plant health	1	Plant health	56
HPAI	5	HPAI	4,633
General	3	General	3,629
Total	14	Total	15,550

15. In the Southeast Asia region, a large proportion of technical assistance for SPS has been carried out on a "multi-country" basis. As one of the more recent members of ASEAN, Cambodia has been eligible to benefit from a wide range of projects totaling approximately US\$200 million.

Table 2. Multi-country SPS assistance, 2001-2006

Number of projects		Value of Projects	(US\$'000)
Food safety	29	Food safety	24,909
Animal health	9	Animal health	8,023
Plant health	15	Plant health	9,819
HPAI	20	HPAI	130,608
General	17	General	26,328
Total	90	Total	199,687

16. Noteworthy multi-country projects include the NZAID/FAO/WHO food safety project, the Southeast Asian Foot and Mouth Disease Control Programme (SEAFMD), NZAID's Phytosanitary Capacity Building for the countries of Cambodia, Lao PDR and Viet Nam and various donor projects on avian influenza. A detailed overview of donor SPS support to Cambodia is provided in Annex 3.

17. Significant donor support has been and will be provided for animal disease control, led by efforts to control HPAI. Forthcoming projects include continuation of EC support to the livestock sector and US\$11 million assistance on avian and human influenza control and preparedness managed by the World Bank. Significant assistance can be expected in the area of HPAI; at the end of 2006 some US\$27 million in committed funds for HPAI had not yet been disbursed.

18. A multi-donor trust fund for implementation of the DTIS priority actions is being prepared which could cover some SPS issues. Projects under this fund would cover the needs identified to promote export of the nineteen export potentials, with a focus on trade facilitation. Constraints relating to SPS issues may also be eligible for support. Since Cambodia is part of the Greater Mekong Sub-region (GMS), a World Bank and/or ADB GMS lending project with a SPS component to implement GMS action plans will be of importance for SPS capacity building.

19. Another area where Cambodia can expect further assistance is in relation to implementation of the Greater Mekong Subregion (GMS) Cross-Border Transport Agreement. The GMS Agreement covers all aspects of cross-border transport facilitation. Of particular interest in the area of SPS controls are provisions for single-stop/single-window customs inspection and transit traffic regimes which include exemptions from physical customs inspection as well as phytosanitary and veterinary inspection. Implementation of this agreement requires movement away from current mandatory inspection of consignments to SPS controls based on surveillance and risk assessment. National inspection services are currently unable to design and implement such risk-based controls. To address this situation, the World Bank and ADB are considering a lending project with a SPS component to assist implementation of the Cross-Border Transport Agreement.

4. Overview of outstanding SPS needs

20. Although SPS assistance has increased over the past five years, fundamental constraints remain. SPS issues negatively impact public health, agricultural productivity and market access in Cambodia. Management capacity to control SPS problems is weak. To meet poverty reduction and economic development goals as set out in the NSDP, Cambodia will need to devote greater attention to this policy area. As such, a general challenge for

improving effectiveness of SPS management efforts is to improve awareness among all stakeholders.

21. Most of the SPS management efforts by Cambodian agencies are focused on static inspection programs on the borders and easy control points, but there is no active surveillance and efforts are not guided by assessments of risks. With simple methods of risk evaluation, surveillance and inspection could progressively become more cost effective.

22. Training remains a continuous priority. The best strategy would seem to link training to concrete activities in order to ensure that training efforts will result in improvement of routines, systems and institutions. A main, though longer-term, priority is to improve diagnostics and inspection. However, investment in diagnostics will be higher if there are a proper regulatory framework and risk-based inspection programs.

23. Efforts to control endemic animal diseases have no "easy fix". In addition to the economic losses in terms of animal productivity and market access forgone, the continued prevalence of these diseases may create difficulties in implementing aspects of the GMS Cross-Border Transport Agreement (discussed below), particularly in respect of the facilitation of transit trade. It would appear appropriate that this issue be addressed in forthcoming support projects. Addressing the underlying disease situation will require sustained long-term investment and technical assistance programs designed at a regional level. In this regard, the SEAFMD program may deserve further study for broader application for other diseases.

24. These considerations lead to the following priorities which merge from the balance sheet as areas not presently addressed through technical co-operation activities. :

- **Develop a comprehensive SPS policy and action plan:** The NSDP calls for the development of a comprehensive strategy for the agriculture sector. As part of this process, it is recommended that a comprehensive SPS policy be developed. It is recommended that this policy should be underpinned by an action plan based on cross-cutting and sectoral needs which takes into account the Government's poverty reduction and economic growth objectives. The food safety and agricultural health action plans developed by the World Bank for Lao PDR and Viet Nam are a possible model in this respect. :
- **Strengthening the legislative framework for SPS management.** There is a continuing need to clearly identify roles and responsibilities of institutions involved in SPS management, mainly for those with potential overlapping mandates such as the Ministry of Commerce (MOC) and the Ministry of Agriculture, Fisheries and Forestry (MAFF), and within the MAFF, the Department of Animal Health and Protection (DAHP) and the Fisheries Administration (FiA). The institutional and legislative frameworks for fisheries, animal and plant health, need strengthening to include the necessary provisions for enforcement. Mechanisms of coordination among various institutions should be established.
- **Enhance capacity for diagnosis and enforcement.** There is a need to build overall capacity for diagnosis and enforcement for all areas of food safety, plant health and animal health. This refers to capacities for inspection and certification, surveillance and monitoring and risk analysis, among others, and includes facilities, equipment and human

resources. Yet prior risk evaluations for all three areas would be needed to correctly identify needs and proper allocation of resources.

- **Promote greater awareness and information for senior and provincial government officials.** This is necessary to mainstream SPS issues into sector development activities and to improve coordination and communication among central and decentralized institutions. Capacity of the SPS Enquiry Point to act as an interface between international partners and national institutions and to disseminate SPS information within the country to all stakeholders should be enhanced. Likewise, the National Codex Committee could be strengthened to act as a vehicle of continuous update of officials on international standards and to raise awareness of relevance of Codex work to the national economy by bringing industry's concerns onto the agenda of senior officials.
- **Enhance awareness and skills of food producers and processors.** This could be implemented through training of trainers to design tailor-made curricula to enhance the skills of operators to achieve compliance with international standards in their particular area of operation. Strengthening of extension capacity and of the link between extensions and applied agronomic research could greatly benefit the farmers. Multiplying Farmer Field Schools, reinforcing producer associations and provincial chambers of agriculture are other possible ways to improve phytosanitary and animal health situations in the country.
- **Enhance awareness of consumers on food safety risks.** This could be conducted through assisting relevant institutions to design food safety campaigns and to strengthen consumer association's capabilities to act as an intermediary
- **Develop coordinated surveillance programmes for plant and animal pests and diseases and for food-borne disease and enhance capacity for diagnosis.** This should include training on data collection and dissemination and on the use of data to develop science-based food control strategies.

SPS Balance sheet: Cambodia¹

Overview of SPS priority action areas				Priorities
Provide a comprehensive assessment of needs for capacity building				1
Strengthen institutional and legislative frameworks for fisheries, and animal and plant health				1
Promote greater awareness and information for senior and provincial government officials, producers and consumers				1
Increase capacity of SPS Enquiry Point to more effectively perform function				1
Develop coordinated surveillance programs for plant and animal pests and diseases and for food borne diseases				2
Enhance capacity for diagnosis and enforcement				3
Status	Needs	Assistance	Gaps	Priorities
Specific market access constraints				
EC FVO inspection found the institutional and legislative systems unable to provide guarantees required for fish exports to the EU. Similar requirements may gradually be imposed by demanding markets in the region and by other countries, such as Thailand and Vietnam (exporters of fish products to the EU).	The institutional and legislative frameworks for the fish industry must be upgraded for access to more demanding markets and market segments, including the EU market	Proposed FAO fisheries TCP Various donor assistance projects on management of plant and animal health as noted below	Legislative adjustments to comply with EU requirements see section on fisheries below An independent assessment of obstacles and plan of action could help in solving obstacles (although the political feasibility is unclear)	1 2
China does not allow rice imports from Cambodia on phytosanitary ground. Presence of 20 quarantine pests limit export potential	Improved control of plant pests			
Presence of quarantine pests of various plant crops undermine productivity and limit market access to OECD countries' market (ex. cucurbitaceae, maize, soyabean, cashew nuts)	Improved processing capacity			
Post-harvest handling and processing capacity is low limiting export potential for high-value products (e.g Pepper processing doesn't meet Japanese requirements for sterilization treatments, rice, cashew nuts contamination with aflatoxins)	Improve animal disease control		Increased capacity to manage plant and animal pests and diseases, specific gaps noted below	

¹ See notes for clarification at the end of the table.

SPS Balance sheet: Cambodia

Status	Needs	Assistance	Gaps	Priorities
Specific market access constraints (continuation) Export of livestock and their products are constrained by endemic animal disease				
Institutional structures, clarity and capacity				
<p>SPS institutions</p> <p>Cambodia Import Export Inspection and Fraud Repression Department (CAMCONTROL), Ministry of Commerce – analysis of quality of food; market monitoring inspection and certification of food; inspection of exported and imported goods</p> <p>Ministry of Agriculture, Forestry and Fishery (MAFF) manages safety and quality of agricultural products as they enter food chain, including slaughterhouses</p> <p>Department of Agronomy and Agricultural Land Improvement (DAALI) in MAFF – phytosanitary management</p> <p>Department of Animal Health and Production (DAHP) in MAFF – animal health management</p> <p>Fisheries Administration (FiA) in MAFF – aquatic animal health management and fish and fish products safety</p> <p>Department of Drugs and Food (DDF) in Ministry of Health (MOH), – controls safety and management of food in restaurants and drugs</p> <p>Ministry of Industry, Mine and Energy (MIME) – quality control in manufacturing industries (bottled water, rice wine, fish sauce and vinegar)</p> <p>Several agencies are involved in inspection.</p> <p>There is a Sub-decree on the Facilitation of Trade through Risk Management that specifies inter-agency cooperation to be more effective in risk management and to avoid duplication.</p>	<p>Lack of clear definition of responsibilities among ministries; overlapping mandates</p> <p>Lack of awareness in Government about need for better alignment and SPS system approach</p> <p>General lack of comprehensive needs assessment and prioritization</p>	<p>Cambodia Multi-Donor Trust Fund (MDTF) on trade-related assistance to increase efficiency in policy implementation, transparency, and export competitiveness</p>	<p>Strengthening institutional and legislative frameworks</p> <p>SPS Action Plan needed as a comprehensive basis for designing implementation activities</p> <p>Raise awareness among senior officials about the importance of SPS issues and need for a detailed action plan</p>	<p>1</p> <p>1</p> <p>1</p>

SPS Balance sheet: Cambodia

Status	Needs	Assistance	Gaps	Priorities
Institutional structures, clarity and capacity				
Public-private interaction				
HACCP is official standard for food processing, but far away from implementation for small enterprises.	Strengthening of industry associations for better access to information and training		Promote awareness and information on hygienic and good practices for food processors	1
No consumer association.	Involve consumer associations in food safety campaigns and in control of food adulteration		Promote establishment of consumer association and train trainers on food safety basics	2
International participation				
WTO, ASEAN, ACMECS, Codex, OIE, IPPC, GMS Codex contact point – CAMCONTROL SPS Enquiry Point – CAMCONTROL TBT Enquiry Point - MIME	Increased capacity for the SPS Enquiry Point Enhance capacity of National Codex Committee	EU MUTRAP ADB-GMS ACMECS	Increased capacity for the SPS Enquiry Point: Training on information dissemination from, to and within the country Training on the effective functioning of a National Codex Committee (proper dissemination of Codex standards in the country, establishment of priority Codex Committee, coordinated preparation of country's positions in the standard setting process)	2
Animal health (aquatic and terrestrial)				
Awareness				
Village animal health workers conduct training on livestock management as part of duties.	Greater awareness and information for senior and provincial government officials, food producers	AusAID SPSCBP – awareness of senior officials on SPS-trade linkages Proposed FAO fisheries TCP FAO HPAI project	Increase awareness and information for senior and provincial government officials on animal disease impact on trade, livelihood and human health	1

SPS Balance sheet: Cambodia

Status	Needs	Assistance	Gaps	Priorities
Animal health (aquatic and terrestrial)				
<i>Awareness (continuation)</i>			Training for producers on various animal diseases and on measures to detect infected animals and to warn veterinary services	1
Regulation Sub-decree 16 on Sanitation Inspection of Animal and Animal Product (amended) to comply with WTO measures	<p>Cambodia does not have a veterinary law</p> <p>The decrees in force provide insufficient comprehensive legislation for animal disease control</p> <p>There is a need for better farm management, including use of veterinary substances</p> <p>An up-to-date regulation for quarantine of imported and exported fish and fishery products</p> <p>National standards for fish and fishery products</p>	<p>Proposed FAO fisheries TCP</p> <p>FAO HPAI project</p>	<p>An up-to-date veterinary law is needed that is harmonized with international principles and that provides a basis for a good regulatory framework for control of animal diseases</p> <p>An up-to-date fisheries law is needed that is harmonized with international principles and that provides a basis for a good regulatory framework for controlling food safety and health in fish and fisheries products.</p>	<p>1</p> <p>1</p>

SPS Balance sheet: Cambodia

Status	Needs	Assistance	Gaps	Priorities
Animal health (aquatic and terrestrial)				
Enforcement				
<p><i>Border control.</i> MAFF controls quarantine and animal movement in border checkpoints. There are plans for 23 animal health checkpoints nationwide.</p> <p><i>Diagnostic capacity.</i> A veterinary lab was recently set up by DAHP; the (private) Pasteur Institute tests for antibiotic residues</p> <p>Department of fisheries lacks animal health and food safety expertise.</p> <p>Aquatic animal health and fish and fishery product quarantine responsibility is shared between DAHP and FiA. Coordination between these two departments is lacking</p>	<p>Capacity to do surveillance</p> <p>Establish database of animal diseases</p> <p>Capacity to do risk evaluation</p> <p>Capacity to do diagnosis of aquatic animal health disease</p> <p>Improve coordination between DAHP and FiA</p> <p>Establish a list of major diseases and food safety concerns related to aquatic animals that should retain attention of inspection services</p>	<p>FAO HPAI project – vet structure, diagnostic, surveillance (reporting), emergency response</p> <p>FAO/ADB on trans-boundary animal diseases</p> <p>OIE SEAFMD</p> <p>FAO SPS TCP</p> <p>Proposed FAO Fisheries TCP</p> <p>Various HPAI projects</p> <p>AusAID SPSCBP</p> <p>JICA animal disease control project</p> <p>EC Livestock Support</p> <p>DFID/DANIDA Project on Fisheries</p>	<p>Develop capacity to do risk evaluation based on surveillance data including setting up a database for animal diseases</p> <p>There is overall need for increased capacity for various areas of diagnosis and enforcement, including laboratories of animal health and fish quality and safety control, however, this should be based on prior risk evaluations to determine the exact needs.</p>	<p>1</p> <p>3</p>

SPS Balance sheet: Cambodia

Status	Needs	Assistance	Gaps	Priorities
Plant health				
Awareness IPM program educates farmers on pesticide use.	Strengthen farmer associations Farmer field schools Greater awareness and information for senior and provincial government officials, food producers and consumers	AusAID SPSCBP – awareness of senior officials on SPS-trade linkages NZAID PCBP- awareness among senior officials of plant quarantine systems FAO SPS TCP	Greater awareness and information for senior and provincial government officials, food producers and consumers	1
Regulation Sub-decree 15 on Plant Quarantine (amended) to comply with WTO measures	There is no plant protection law.	NZAID PCBP FAO SPS TCP	An up-to-date plant quarantine (or plant protection) law is needed that is harmonized with international principles and that provides a basis for a good regulatory framework for control of plant pest (and use of pesticides)	1
Enforcement <i>Border control.</i> MAFF control plant quarantine at border. Plans for 22 plant health checkpoints nationwide. <i>Diagnostic capacity.</i> DAALI conducts assessment of pesticide formulation, will develop pesticide residue analysis.	Inadequate plant protection facilities (lab and equipment) Lack of trained staff, especially specialists on entomology, weed science, plant pathology and pesticide toxicology.	NZAID PCBP – plant health structure, pest diagnosis, surveillance, database, PRA FAO SPS TCP AADCP plant health projects Various IPM projects UNIDO SMTQ	Develop capacity to do risk evaluation as an input for risk management strategies There is overall need for increased capacity for various areas of enforcement, however, this should be based on prior risk evaluations to determine the exact needs.	1 3

SPS Balance sheet: Cambodia

Status	Needs	Assistance	Gaps	Priorities
Food safety				
<p>Awareness Low level of awareness of consumers on food standards.</p> <p>Government has programs to disseminate information on Food law.</p> <p>MOH has National Centre for Health Promotion for health education and food safety for school children and the general public.</p> <p>IPM program educate farmers on pesticide use.</p>	<p>Majority of farmers, processors, food handlers and consumers are uninformed of food safety</p> <p>Requirement for food safety plans for food businesses</p>	<p>NZ/FAO/WHO food safety management – garner Ministerial-level support; awareness for rural communities; training of trainers</p> <p>IPM projects educate farmers on pesticide use</p>	<p>Create greater awareness and information for senior and provincial government officers, food producers and consumers on the importance of an integrated farm to fork approach to food safety</p> <p>Promote the implementation of GHP and GMP in food processing facilities</p>	1
<p>Regulation Law on Management of the Quality and Safety of Products and Services– for food safety and food trade, farm-to-table approach</p> <p>There is a draft for a new Food Law.</p>		<p>NZ/FAO/WHO Food safety management</p>	<p>No gap was identified by relevant agency.</p>	
<p>Enforcement <i>Border control.</i> Inspection of imported food at border gates, airport and seaports by CAMCONTROL.</p> <p><i>Risk analysis.</i> CAMCONTROL aims to set up Imported Food program with inspection categories based on risk.</p> <p><i>Surveillance and monitoring.</i> CAMCONTROL does market monitoring. There is no coordinated program of food surveillance and little analytical data on microbiological or chemical contamination of food. DDF monitors microbial and (limited) chemical hazards in food.</p> <p><i>Diagnostic capacity.</i> CAMCONTROL and MIME conduct assessment of microbial hazards in food. CAMCONTROL assesses chemical hazards.</p>	<p>Gaps and overlaps in inspection</p> <p>Weak capacity of MOH for food inspection</p> <p>Limited capacity in food monitoring and disease surveillance</p> <p>Adopt national standards for food products</p>	<p>NZ/FAO/WHO Food safety management – diagnosis, surveillance, inspection, national plan for pesticide residue testing</p> <p>UNIDO SMTQ – diagnostic capacity</p>	<p>There is a need for a well designed program of surveillance of domestic markets that provides information on main risks of food borne diseases to be used as a basis for enforcement strategies. Such surveillance program requires cooperation between MOH and CAMCONTROL.</p> <p>Establish a formal list of high-risk foods for which particular attention should be given during inspection and provide training on record keeping</p>	1

			during inspection	
--	--	--	-------------------	--

SPS Balance sheet: Cambodia

Status	Needs	Assistance	Gaps	Priorities
Food safety				
<i>Enforcement (continuation)</i> <i>Inspection and certification.</i> Key CAMCONTROL inspectors received training on quality control of food and issues certification for food			There is overall need for increased capacity for various areas of enforcement, including strengthening of the capacity for food testing, however, this should be based on prior risk evaluations to determine the exact needs. Budget for testing and skilled staff may be more of a constraint than laboratory equipment.	3

Notes to the Balance sheet:

Columns	Notes
Status	The capacities are based on country reports from FAO conferences, donor project documents and other available studies (See References below), and updated from interviews with stakeholders in government, private sector, donors and international agencies.
Needs	Obtained from the same sources.
Assistance	The donor activities were from projects identified in the research work prepared for the Manila Aid for Trade workshop (Ignacio 2007).
Gaps	These are needs that have not been addressed by present or forthcoming donor work. The gaps have been discussed and verified in interviews and workshop.
Priorities	Priority scales used: 1 – high and immediate priority; 2 – medium-term priority; and 3 – low and long-term priority

Principles used for prioritization:

- Impact
- Costs and benefits
- Sequencing
 - Rule of law: major investment in diagnostics and inspection has to be preceded by legal framework and risk management

References

- ADB. 2007. SFA-TFI Action Plan Technical Report on Inspection, Quarantine and SPS Measures. Draft report.
- APO. 2002. Report of the APO Seminar on Sanitary and Phytosanitary Measures held in Japan, 4-11 December 2002 (02-AG-GE-SEM-09). Asian Productivity Organization.
- Cassidy, D. 2007. Trade Related Assistance for Development and Equity (TRADE) Project. UNDP.
- DTIS. 2007. Cambodia's 2007 Trade Integration Strategy. Executive Summary and Action Matrix. Trade Related Assistance for Development and Equity (TRADE) of the Ministry of Commerce of Cambodia and UNDP
- EC-FVO. 2005. Final report of a mission carried out in Cambodia from 19 to 30 September 2005 for the assessment of the conditions of production of fishery products intended to be exported to the European Union
- FAO/WHO 2004. "Cambodia country report on food safety" Conference room document 19. FAO/WHO Regional Conference on Food safety for Asia and the Pacific. 24-27 May, 2004. Seremban, Malaysia.

Ignacio, L. 2007. "Overview of SPS-related assistance for Cambodia, Lao People's Democratic Republic and Vietnam (2001-06)." Paper prepared for the Standards Trade Development Facility workshop in the Aid for Trade for Asia event, Manila, September 19-20, 2007.

Kakada, D (2006) SPS-related barriers faced by Cambodian exporters in East Asian Countries
Economic Institute of Cambodia.

List of plants subject to import prohibition, November 2007
(<http://www.pps.go.jp/english/law/list2.html>) visited on 22/04/08

NZAID/FAO/WHO. 2004. "Improving Food Safety and its Management in Cambodia, Lao PDR and Viet Nam (GCP/RAS/207/NZE). Project document.

Sauvé, P (2005) Economic impact and social adjustment costs of accession to the World Trade Organization: Cambodia and Nepal. Asia-Pacific Trade and Investment Review Vol. 1, No. 1

Van der Meer. 2007. "SPS Capacity Building Needs Assessments and Compliance Studies, 2001-2006, Cambodia, Lao PDR and Vietnam." Paper prepared for the Standards Trade Development Facility workshop in the Aid for Trade for Asia event, Manila, September 19-20, 2007.

Varaprasad, K.C. et al. 2008. Role of phytosanitary policies in rice trade. Current Science Vol. 94, No. 3.

Annex 1: Working program, Phnom Penh, 29 February – 6 March 2008

<i>Date</i>	<i>Activities</i>
29 February (Friday)	Department of Agronomy and Agricultural Land Improvement (MAFF)
	World Bank
	EC
3 March (Monday)	Department of Agronomy and Agricultural Land Improvement
	Department of Animal Health and Production (MAFF)
	Fisheries Administration (MAFF)
4 March (Tuesday)	CAMCONTROL (MOC)
	ADB
5 March (Wednesday)	Lian Heng Trading Company, Ltd.(fish exporter)
	AusAID
6 March (Thursday)	Verification meeting with stakeholders and donors

Annex 2: List of People Interviewed

Mr. Khlauk Chuon, Deputy Director, Import-Export Inspection and Fraud Suppression Department (Camcontrol), Ministry of Commerce (MOC)

Dr. Hean Vanhan, Deputy Director, Department of Agronomy and Agricultural Land Improvement (DAALI), Ministry of Agriculture, Forestry and Fisheries (MAFF)

Mr. Heng Chhun Hy, Vice Chief Officer, Plant Protection and Phytosanitary Inspection Office, DAALI, MAFF

Mr. Sarouen Kessara, Bureau Chief, SPS Enquiry Office, Camcontrol, MOC

Mr. Sem Viryak, Acting Director, Quality and Processing Division, Fisheries Administration, MAFF

Mr. Stephane Guimbert, Senior Country Economist, Cambodia Country Office, The World Bank

Mr. Hean Vuthy, Senior Program Officer, AusAID

Mr. Roger Lawrence, Consultant, Trade Sector-wide Approach, EU

Mr. Eric Sidgwick, Senior Country Economist, Cambodia Resident Mission, Asian Development Bank

Mr. Seth van Dorn, Political and Commercial Affairs Officer, Delegation of the European Commission to Cambodia

Mr. Hong, Lian Heng Trading Company, Ltd.

Annex 3: Agenda of workshop on SPS Balance Sheet, 6 March 2008

Hosted by ADB

Chair: Mr. Eric Sidgwick, ADB

9.00 Opening by the Chair

9.10 SPS capacity building in Cambodia: a regional perspective

Mr. Kees van der Meer, consultant

9.30 Presentation of draft Balance Sheet

Ms Laura Ignacio and Kees van der Meer, consultants

10.00 Observations by representatives of donors and international organizations

10.15 General discussion

10.45 Observations and next steps by *Kees van der Meer*

11.00 Closing remarks by the Chair

Annex 4: SPS-related Technical Assistance, Cambodia and Multi-country, 2001-2006

Projects	Assistance	
	Value (US\$'000)	Type
Cambodia		
Food safety		
Cambodia freshwater fisheries export training (EC, 2005-2006)	115	S
Improving quality practices in the rice and fish sector in Cambodia (EC, 2004-2006)	186	S
Animal health		
Capacity building for community fisheries management in the Department of Fisheries (FAO, 2005-2007)	265	S
Support to the livestock sector (EC, 2002-2005)	6,596	S
Assessing and controlling the risks of disease spread in Mekong countries with an initial focus on Cambodia (ACIAR, 2006)	70	S
Plant health		
Emergency assistance to control brontispa longissima – coconut hispine beetle in Cambodia (FAO-Australia, 2005-2007)	56	S
Avian influenza		
SPS workshop in Cambodia on wild bird influenza and SPS issues (USAID, USDA, USDI, 2006)	130	S
Immediate TA to strengthen emergency preparedness for HPAI (FAO-USA, 2006-2007)	1,150	H
Building capacity at the grassroots level to control AI (FAO-Germany, 2006-2009)	3,142	H
Assistance for prevention and control of AI (Australia-FAO Cambodia, 2004)	53	H
Assistance to strengthen surveillance and response capacities to AI (Australia-WHO Cambodia, 2005)	158	H
General		
EC-Cambodia project on standards, quality and conformity assessment (EC, 2004-2008)	660	S
Multilateral trade assistance (EC, 2002-2005)	2,350	T
Market access support for Cambodia through strengthening of capacities related to metrology, testing and conformity (Austria-UNIDO, 2002-2006)	619	H
Multi-country (includes one or more of CLV and/or other Southeast Asian countries)		
Food safety		
EU food standards and import requirements for fishery and aquaculture (EC, 2006)	7,684	S
EU food standards and import requirements for fruit and vegetables (EC, 2006)	7,684	S
WTO compliance -capacity building training in the development of food standards (based on risk management framework) (APEC, 2003-2004)	57	S
APEC capacity building workshop and symposium for harmonization of food safety regulation in fisheries and seafood products (APEC, 2003)	98	S
Training in risk assessment in support of food safety measures (APEC, 2001-2002)	95	S
Management of marine algal toxins in seafood products in the APEC region (APEC, 2001-2003)	38	S
Development and validation of phycotoxin analytical methods, standards and reference materials for seafood product certificate and safety (APEC, 2003)	204	S
HACCP cooperation among APEC members (APEC, 2006-2007)	113	S
Capacity building on GAP for developing APEC economies (APEC, 2006)	63	S
Capacity building for implementation of management systems for food safety and quality control of agricultural products in Vietnam and other APEC economies	73	S

Projects	Assistance	
	Value (US\$'000)	Type
(APEC, 2005-2006)		
Technology cooperation on the improvement of efficiency in the handling of perishable crops in ASEAN countries (ASEAN, 2001-2004)	1,032	S
Standardizing test methods for residues of pesticides and food additives in crops and food commodities, study on production of monoclonal antibodies to develop ELISA ² kits (ASEAN, 2001)	1,486	S
Improving food safety and its management in Cambodia, Lao PDR and Vietnam (NZ-FAO/WHO, 2003-2008)	1,278	H
Strengthening risk assessment capability to support food safety measures project (AADCP, 2005-2007)	942	
Quality assurance systems for ASEAN fruit and vegetables (AADCP, 2004-2007)	1,397	H
Quality assurance and safety of ASEAN fish and fishery products handling, processing and packaging (AADCP, 2004-2007)	731	S
Food microbial control (Japan, 2002)	6	S
Operationalize guidelines on responsible movement of live food finfish project (AADCP-RPS, 2005-2007)	206	S
Monitoring mycotoxins and pesticides in grain and food production systems for risk management in Vietnam and Australia (ACIAR, 1999-2004)	580	S
Conference on harmful algae management and mitigation (USA, 2001) -- Vietnam included	20	S
USFDA Food safety conference for Asia (USA, 2001) -- Vietnam included	150	S
Cochran program workshop on food safety (USA, July-Aug2002) -- Vietnam included	6	S
Cochran program-funded training on marketing of high-value agri products (USA, May2002)-Vietnam included	13	S
Cochran fellowship-funded training workshop on food storage (USA, April-May2004) - Vietnam included	26	S
Conference on food safety programs influencing public health and trade (USA, Aug2001) - Cambodia and Vietnam included	6	S
Improving food safety in the fish sector (Norway, 2006-2007)	98	S
FDA Senior-level discussions on SPS issues and future TA programs (USA, 2006) - Vietnam included	58	S
Global inventory, reference materials and food safety training program for improving the quality and safety of fresh fruit and vegetables (FAO, 2005)	750	S
Third country training course on transfer technology of food sanitation to neighboring countries (Japan, 2003)	15	S
Animal health		
EMPRES emergency centre for transboundary animal disease operations (FAO, 2004-2006)	370	S
Strengthening animal health management and biosecurity in ASEAN (AADCP, 2004-2006))	875	S
OIE South East Asia Foot and Mouth Disease Campaign (Australia, 1995-2007)	3,003	H
Transboundary animal disease (TAD) control in the Greater Mekong Sub-region (FAO-ADB, 2005-2007)	1,000	H
Strengthening aquatic animal health capacity and biosecurity in ASEAN (AADCP-RPS, 2005-2007)	272	S
Establishment of a reference laboratory for the Southeast Asian foot and mouth disease control program (AADCP-RPS, 2005-2007)	191	S

² Enzyme-linked immunosorbent assay.

Projects	Assistance	
	Value (US\$'000)	Type
Animal disease control in Thailand and neighboring countries (JICA, 2001-2006)	2,186	H
Cochran program-APHIS' import-export control system for live animals/animal products (USA, July2004)-Vietnam included	13	S
Improved diagnostic and control methodologies for livestock diseases in Lao PDR and Yunnan Province, PRC (ACIAR, 1997-2003)	113	H
Plant health		
Support for control of coconut beetle (USA, 2005)	20	S
Capacity building in the surveillance and diagnosis of leafminer, whiteflies, thrips and mealybug pests in developing APEC economies for improved market access (APEC, 2006-2007)	129	S
Building biosecurity planning and surveillance capacity for APEC member economies (APEC, 2005)	102	S
China-ASEAN training course on plant pest risk and analysis (ASEAN, 2004)	75	S
Strengthening ASEAN plant health capacity (AADCP, 2005-2007)	1,115	S
Integrated control of mango insect pests using green ants as a key element (ACIAR, 2001-2005)	556	S
Management of phytophthora diseases of durian (ACIAR, 1998-2003)	305	S
Survey toolbox for plant pests - A practical manual for the surveillance of agricultural crops and forests (ACIAR, 2004-2005)	79	S
Phytosanitary assessment (NZ, 2001)	302	S
Phytosanitary capacity building in the Mekong (NZ, 2005-2009)	1,349	H
Cooperation for the improvement for phytosanitary capacity in Asian countries through capacity building (FAO-Japan, 2006-2009)	896	S
Development and application of integrated pest management in vegetable growing in south and southeast Asia, phase II (FAO-Norway, 2005-2007)	4,747	S
Plant disease diagnostic manual (ACIAR, 2006-2007)	24	S
FAS-funded training workshop for plant quarantine officials (USA, Oct2003) - Vietnam included	20	S
FAS and American Seed Trade Association training workshop on plant quarantine (USA, April2005) - Vietnam included	100	S
Avian influenza		
Diagnostic laboratory and surveillance network coordination for control and prevention of AI in Southeast Asia (FAO, 2004-2006)	394	H
Emergency regional support for post AI rehabilitation (FAO, 2004-2005)	398	S
Emergency regional coordination assistance for the control of AI in Southeast Asia (FAO, 2004-2005)	384	H
Support to and collaboration with FAO to control HPAI in Asia (FAO-Netherlands, 2005-2007)	495	H
Emergency assistance for the control and prevention of AI (FAO-Multi, 2005-2007)	19	H
Emergency assistance for the control and prevention of AI (FAO-Multi, 2006-2007)	3,697	H
Emergency assistance for the control and prevention of AI (FAO-Sweden, 2006-2007)	6,600	H
Japan-FAO joint emergency program for the control of AI in Cambodia, Indonesia, Lao PDR, Vietnam (FAO-Japan, 2004-2005)	1,610	H
Surveillance and investigation of the epidemic situations in Southeast Asia (France, 2006-2010)	7,784	S
Regional coordination of AI control and prevention in Asia (FAO-ADB, 2006-2008)	6,490	S
Prevention and control of AI in Asia and the Pacific (ADB, 2006-2008)	38,000	S
Regional communicable diseases control project (ADB, 2006-2010)	30,900	H
Emergency regional support to address the outbreak of SARS and emerging diseases	142	H

Projects	Assistance	
	Value (US\$'000)	Type
(ADB, 2004)		
Strengthening the control and prevention of HPAI and enhancing public awareness (FAO-Japan, 2006-2008)	10,794	S
Strengthening coordination network for diagnosis and surveillance for the control and prevention of HPAI in Southeast Asia (FAO-Japan, 2006-2009)	431	S
AI response program in countries affected by the epizooty (FAO-Multi, 2006-2008)	500	H
The epidemiology, pathogenesis and control of HPAI in ducks in Indonesia and Vietnam (ACIAR, 2006-2009)	982	S
Control of HPAI in ASEAN countries (EC, 2006)	18,112	S
Promoting strategies for prevention and control of HPAI that focus on smallholder livelihoods and biodiversity (FAO-Germany, 2006-2009) - Cambodia included	1,928	
Awareness raising of AI (Australia-CARE, 2006)	948	S
General		
Trade law course for developing countries in Asia and the Pacific region – Introduction to the WTO for LDCs and countries in Accession; introduction to the multilateral trading system; market access and tariff negotiations; agreements on agriculture and SPS (WTO, 2003)	18	I
Coordination of APEC's capacity building response to DOHA (APEC, 2002)	116	S
Capacity and awareness building on import risk analysis for aquatic animals (APEC, 2001-2004)	116	T
Operation of national points of enquiry under the TBT and SPS agreements of the WTO (APEC, 2001-2003)	177	T
APEC resource pack and symposiums for operation of national points of enquiry under the SPS and TBT agreements of the WTO (APEC, 2001-2002)	177	T
Pilot for training in the application of risk analysis in conformity assessment of foods (APEC, 1999-2001)	51	T
Regional training course for APEC/ASEAN countries on WTO Agreements on Agriculture/SPS (Japan, 2003)	5	I
US Codex office technical seminar on risk analysis (USA, 2002) -- CLV included	75	T
Applied training in the SPS Agreement (WTO, 2004)	71	T
Applied training in the SPS Agreement for Asian economies, including OIE training for veterinary officials (WTO, 2005)	140	T
Application and implementation of the SPS agreement in selected Southeast Asian countries (WTO, 3/2003)	76	I
Regional WTO capacity building program (Australia, 2002-2006)	2,230	I
EC-ASEAN Standards and Quality Co-operation Programme (EC, 2003-2006)	8,482	S
SPS capacity building program (Australia, 2003-2004) -plant and animal health	3,516	S
Strengthening ASEAN standards and conformity assessment project (AADCP, 2004-2007)	1,691	S
APEC economic integration program (CIDA, 2003-2009) --CLV included	7,692	T
Market access and trade facilitation support for Mekong Delta countries through strengthening institutional and national capacities related to standards, metrology, testing and quality NORAD-funding countries (NORAD-UNIDO, 2003-2005)	1,695	S
Forthcoming projects (including projects starting in 2007)	Value (US\$'000)	
Food safety		
Harmonization and implementation of ASEAN good agricultural practices (AADCP-RPS, 2007)		339
Strengthening of food inspection and certification for shrimp and bivalve molluscs in ASEAN member countries (AADCP-RPS, 2007)		338

Projects	Assistance	
	Value (US\$'000)	Type
Latest developments and challenges in food safety and opportunities for practical actions in the APEC region (APEC, 2007)		51
<i>Animal health</i>		
Support to smallholder livestock production in Cambodia (EC-FAO, 2007-2010)		1,849
Understanding livestock movement and the risk of spread of transboundary animal diseases (ACIAR, 2007-2012)		219
<i>Plant health</i>		
Plant quarantine capacity development training (JICA, 2007-2009) - CLV		-
<i>Avian influenza</i>		
Sharing experiences with the management of the avian influenza H5N1 threat (APEC, 2007)		61
Implementation of APEC action plan on the prevention and response to avian and influenza pandemics: progress review and building capacity for future work (APEC, 2007)		75
Cambodia avian and human influenza control and preparedness project (World Bank-GPAI/AHI/PHRD, 2007)		11,000
<i>General</i>		
FAO regional training workshop "Integrated approach to food safety, animal health and plant health (biosecurity) and the assessment of biosecurity capacity needs (FAO-Norway, 2007)		500

Note: "I" – Information

"T" – Training

"S" – Soft infrastructure development projects

"H" – Hard infrastructure development projects

*Table derived from Appendix 2 of Ignacio (2007).