Looking beyond the Single Window for ICT solutions to SPS management

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Improvements being made through single windows and other modern approaches

- **Single Window and Safe Trade Solutions**
  - Time and cost savings
  - Information exchange
  - Streamlined processing
  - Online applications and payments
  - Electronic permits (e-phyto)
  - Risk based inspections
  - Joint inspections

Many other "traditional" challenges remain

- **Even with Single Window, several bottlenecks remain:**
  - Limited access to detailed SPS information.
  - Mixing of SPS with non-essential product standards.
  - Capacity limitations (and misuse of limited capacities).
  - Cumbersome and repetitive procedures.
  - Little trust in each other's SPS systems.
  - Political economy factors, weak institutions.

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To support a single window approach…

- **Review and streamlining of SPS measures.**
  - Many shared pests and diseases, especially in regional trade.
  - Unnecessary, unproductive, and/or duplicate procedures.
- **Back end procedures may need improving.**
  - Permits that can only be approved by PS or committee?
  - Use of risk based inspections?
- **Detailed SPS information also required, possibly through dedicated "SPS Portal".**
  - Commodity specific declaration requirements.
  - Detailed pest and disease lists.
  - List of approved mitigations.
  - Registry of approved fumigators.
  - Scientific data and bibliographies.

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SPS issues in regional trade

- **Cross border trade of food staples vastly important to poor farmers and poor consumers.**
  - Small traders, most of whom are women, typically dominate regional food trade.
  - Large number of small consignments make SPS inspections difficult if not impossible.
  - Formal procedures and high costs push traders into informal routes where there are no controls at all, and various types of abuse and corruption easily happen.
- **Simplified Trade Regime (STR) for customs purposes, but what solutions exist for SPS measures?**
  - Monitoring of production areas, warehouse certification, regional pest lists.
  - Single windows and other electronic platforms tailored to the needs of small traders.

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Emerging ICT tools and applications

Examples include:

- Mobil Assay mReader

- AccuScan Gold Reader

- P-tracker

- Various pest recognition apps and services.

Potential uses (…if ISO compliant?):

- Warehouse certification

- Risk based field and border inspections

- Cloud based data tracking and sharing

- Farmer extension

Opportunities for improved SPS management in the EAC

Current situation

- **Over 200 regional standards in food and agriculture including more than 40 standards for food staples and livestock products of direct importance to smallholders.**

- **Unfortunately...**
  - EAC standards cover legitimate food safety matters <u>and</u> non-essential quality specifications (e.g. maize and rice).
  - All standards made into mandatory regulations on food safety grounds (...and "to prevent dumping").
  - All standards treated as copywritten material.
  - No guidance on how to implement the regulations.
  - Several specifications go beyond CODEX with little or no scientific justification or notification of WTO members.

- **Repetitive and possibly needless certification of every individual consignment (except for small traders who avoid inspection).**

SPS measures as a trade barrier

- **Difficult and expensive for EAC to import from other African countries or even to trade 100% legally within the community.**
  - Standards mainly applied to extra-regional imports, including imports from other African countries.
  - High cost to source and test compliant products.
  - Smallholder maize often grown with OPVs and/or sundried.
  - Small traders not able to afford costs of compliance.
  - Grain goes across in small (informal) loads that add to the total costs of trade and without any SPS protection.

What can be done about this?

- **Dialogue focused on separating SPS from non-essential standards.**
  - Support (and influence) ongoing review by national authorities, private sector, East Africa Grain Council and others.
  - Possible role for CODEX in clarifying food safety and quality matters?
- **Develop (and promote!) implementing guidelines.**
- **Certification of warehouses, flour mills, and dairy chains backed by new ICT systems (…if compatible with ISO methods?).**
  - Cloud based reporting of mycotoxin and other test results linked to SPS certification (possible "blanket" permits for extended periods?)
  - Quality certificates used to speed border transactions.
  - Risk-based spot inspection of warehouses and consignments.
- **Free access to mandatory regulations.**
- **Regional pest lists and investment priorities (regional P-IMA?)**

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Opening new markets through APEI

Untapped potential for regional trade

- **Current situation**
  - Global imports that could be supplied by neighbors in mainland Africa.
  - Pest and disease risks from mainland Africa justifiably a big worry for island nations.
    - Local authorities unresponsive to information requests.
    - Alleged under reporting of pests and disease.
    - Potential exporters unsure of what is required for market entry.
    - Outdated pest and disease lists.
- **Potential solutions**
  - Peer-2-Peer learning and information exchange.
    - Joint risk assessments for strategic commodities (PRAs with Madagascar in early 2000s led to > $15m annual trade today).
    - Regional "SPS Portal" – online pest lists and data sharing.
  - ICT applications to improve traceability and help track pest and disease outbreaks.

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Fundamental SPS management constraints in CEMAC

Fundamental challenges in CEMAC

- **Current situation**
  - Unrecorded agriculture trade nearly equal to all recorded intra-regional trade, mainly by medium size operators.
  - Virtually all trade is unidirectional – from Cameroon out.
  - Only Cameroon has formal SPS declaration conditions.
  - Nevertheless, all exports are "certified" after visual inspection.
  - Formal fees just a small part of total cost to exporter.
  - For imports, Cameroon charges XAF 200,000 (US$ 375) for consignment based import permit valid for six months.

- **Potential solutions**
  - Rationalization of SPS procedures.
  - Publication of approved fees (electronic and other platforms).
  - Performance based border management (with ICT-based reporting systems).

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To summarize

Single windows and other ICT tools are a promising new direction in SPS management

- **Nevertheless, fundamental SPS constraints remain.**
  - Distinction between technical regulations and voluntary standards still mixed up and not clear to many.
  - Systems geared to serve large, formal traders necessary yet small, informal trade often more relevant to poverty.
  - Back end procedures and political economy factors determine how well any new technology (or SPS measure) will work.

- **Regional cooperation should be a strategic priority.**
  - Practical approaches include: Regional pest lists, regional investment priorities (regional P-IMA).
  - Plus... ICT systems and capacity improvements that simplify inspections, support risk-based approaches, and serve small/regional traders.

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