Ministerial Conference

Aid-for-Trade Roadmap for SPECA
Baku Business Center, Azerbaijan, 1-2 December 2010

Parallel Session Vb
Standards and Conformity Assessment Challenges and Related Capacity Building

Managing Sanitary and Phytosanitary Measures (SPS) in SPECA Countries: Completing the Transition

Kees van der Meer, UNIDO and STDF Consultant
Email: cljvdmeer@gmail.com

Ladies and Gentlemen,

It is a great pleasure for me to provide a presentation about managing Sanitary and Phytosanitary measures (SPS) in SPECA countries.

What is SPS? SPS is terminology of the World Trade Organization (WTO) for managing food safety and agricultural health in a way compliant with the 1995 WTO SPS Agreement. The main principles of the Agreement are transparency, use of science-based measures, non-discrimination, accepting equivalence, and cost of measures should be proportionate to the risks to be controlled. Principles and scope of SPS are summarized in Appendix 2.

All SPECA countries, except Afghanistan, are members of the Commonwealth of Independent States (CIS) and base their management of food safety and agricultural health on national GOST[1] systems, which have their origin in the former Soviet Union. Since these systems differ much from WTO SPS principles, WTO accession implies a transition from GOST to WTO SPS based systems.

This presentation discusses main policy issues related to this transition. It is largely based on a 2007 World Bank study with title: *Food Safety and Agricultural Health Management in CIS Countries: Completing the Transition*. (See Literature) It is structured as follows.

[1] GOST stands for *Gosudartvennyy standart*, or state standard.

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First attention will be given to agriculture and health in CIS and SPECA. Then I will discuss implications of WTO accession and GOST standard systems, and main issues related to transition to international standards.

Special attention will be given to small-scale agriculture, private sector issues, regional cooperation and the need for external support. I will finish with concluding remarks.

Since Afghanistan is not a transition economy much of what is said here about transition does not apply to it, but it has similarity with neighboring SPECA countries in agro-ecosystem, faces the same health risks and would benefit from SPS regional cooperation.

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SPECA countries are land-locked with small populations and low to medium income levels. (Table 1) Because of their geographic location and history, few people in these countries have practical experience with market economic institutions. Most of their trade, except for Afghanistan, is with the Russian Federation and other CIS countries, but there are increasing opportunities for trade with China, Turkey and the EU. Most SPECA countries have received limited donor support. A list of projects identified is provided in Appendix 1. The countries with relatively high income are energy exporters -- Kazakhstan, Azerbaijan and Turkmenistan -- and face risks of high income disparities and Dutch disease with potentially adverse effects on competitiveness of agriculture and industry.

Table 1 Population and income per capita

	Afghanistan	Azerbaijan	Kazakhstan	Kyrgyz Rep.	Tajikistan	Turkmenistan	Uzbekistan
Millions, 2008	29.0	8.7	15.7	5.3	6.8	5.0	27.3
GDP/capita, 2008	366	3830	6160	780	600	2840	910

Source: World Bank, World Development Indicators

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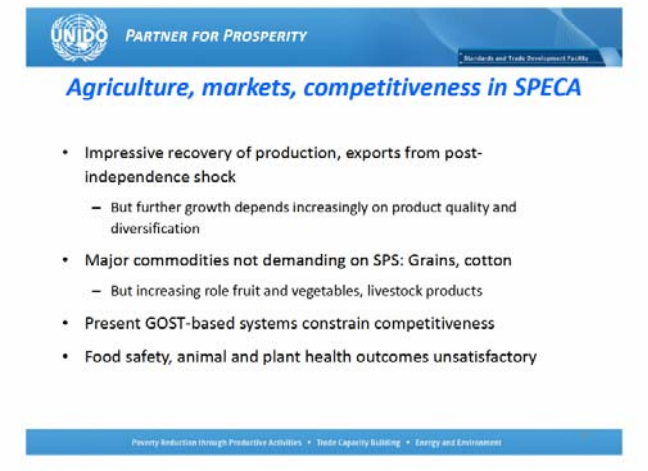

After independence all CIS countries experienced a significant decline of agricultural production that bottomed out at the end of the 1990s, and during the past 10 years most countries saw impressive recovery of agricultural production and exports. However, further growth will increasingly depend on improving product quality and diversification.

Cotton and grains are main commodities in several SPECA countries and not subject to demanding SPS management, but fruit, nuts, vegetables and livestock products are increasingly important in production and trade and require much more SPS management.

All CIS countries still apply GOST standards, which – as will be explained later – can constrain competitiveness. The food safety, plant health and animal health situation in SPECA countries is unsatisfactory.

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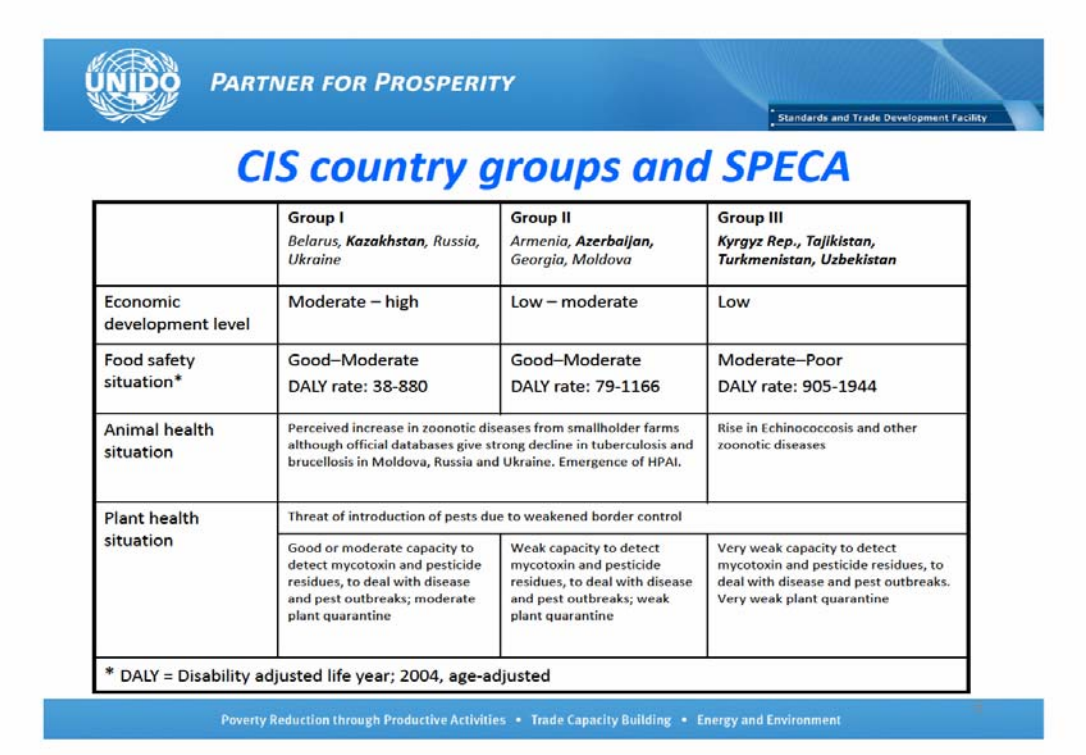

	Group I *Belarus, **Kazakhstan**, Russia, Ukraine*	Group II *Armenia, **Azerbaijan**, Georgia, Moldova*	Group III ***Kyrgyz Rep., Tajikistan, Turkmenistan, Uzbekistan***
Economic development level	Moderate – high	Low – moderate	Low
Food safety situation*	Good–Moderate DALY rate: 38-880	Good–Moderate DALY rate: 79-1166	Moderate–Poor DALY rate: 905-1944
Animal health situation	Perceived increase in zoonotic diseases from smallholder farms although official databases give strong decline in tuberculosis and brucellosis in Moldova, Russia and Ukraine. Emergence of HPAI.		Rise in Echinococcosis and other zoonotic diseases
Plant health situation	Threat of introduction of pests due to weakened border control		
	Good or moderate capacity to detect mycotoxin and pesticide residues, to deal with disease and pest outbreaks; moderate plant quarantine	Weak capacity to detect mycotoxin and pesticide residues, to deal with disease and pest outbreaks; weak plant quarantine	Very weak capacity to detect mycotoxin and pesticide residues, to deal with disease and pest outbreaks. Very weak plant quarantine
* DALY = Disability adjusted life year; 2004, age-adjusted			

CIS countries can, based on their development level and geographic location, be divided in three groups. Central Asian countries Kyrgyz Rep., Tajikistan, Turkmenistan, Uzbekistan (Group III) are least developed among the CIS countries with weak SPS capacities and a relatively poor food safety and plant and animal health situation. Azerbaijan belongs to Group II which includes small countries with more contacts with West and Central European countries and has a relatively poor health record. Kazakhstan is in some characteristics more developed than the other SPECA countries and is here grouped with Belarus, Russian Federation and Ukraine (Group I), but it also shares characteristics with the central Asian countries of Group III. Afghanistan shares characteristics with its neighbors in Group III.

Table 2 shows that the food safety performance in SPECA, approximated by data of the World Health Organization on incidence of diarrheal diseases, is clearly behind other CIS countries, and more even behind EU countries, Japan and the USA. Since all CIS countries (except Afghanistan) use national GOST systems, the difference in health performance of SPECA countries is mainly related to national factors, such as maintenance of national GOST systems, public and private sector capacities, and quality and effectiveness of food safety programs.

Table 2. Age-standardized DALYs* per 100,000 people lost to diarrheal diseases, 2004

Group	Country	DALYs 2004
SPECA / non-CIS	**Afghanistan**	**5289**
CIS Group I	Russian Federation	54
	Belarus	38
	Ukraine	43
	Kazakhstan	**880**
CIS Group II	**Azerbaijan**	**1166**
	Armenia	345
	Georgia	597
	Moldova	79
CIS Group III	**Kyrgyz Rep**	**905**
	Tajikistan	**1944**
	Turkmenistan	**1774**
	Uzbekistan	**1096**
Other Countries	Turkey	345
	EU countries**	30-35
	Japan	34
	USA	34

* disability adjusted life years, or loss of healthy life; ** approximate range
Source: WHO Global Burden of disease, country data, February 2009, Table 6.
http://www.who.int/healthinfo/global_burden_disease/gbddeathdalycountryestimates2004.xls

Plant health management in Group III faces increased risk of spread of pests and diseases as a result of increased trade of products over long-distances, slack border control and poor quarantine. The animal health situation has worsened with spread of several zoonosis (animal diseases that can affect human health), in particular Echinococcosis and helminthes.

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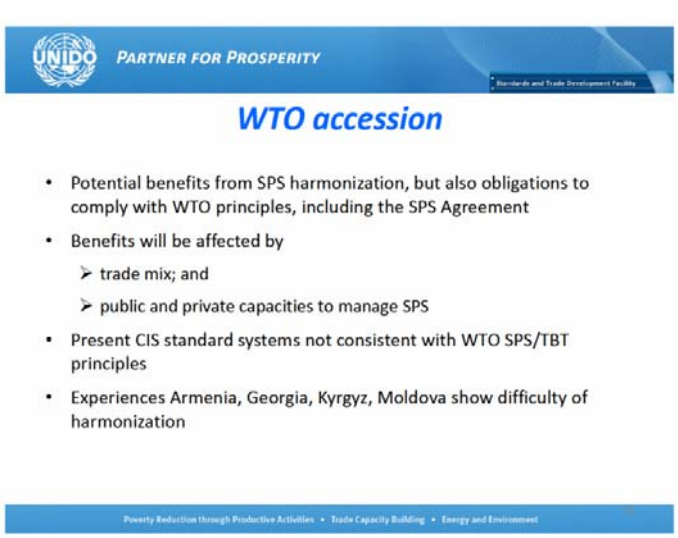

Kyrgyz Rep. is the only WTO member among SPECA countries. The other countries, except Turkmenistan, have applied, but progress in the accession process largely depends on the pace in the negotiation about membership of the Russian Federation, which has been slow for many years. Recently, there are signs of accelerated progress. All SPECA countries are members of the International Organization of Animal Health (OIE), and all except Turkmenistan are members of the Codex Alimentarius. Only Kyrgyz Rep. and Azerbaijan are full IPPC members, the other four countries have a non-contracting status.

WTO accession offers potential benefits for SPECA countries, but also obligations to comply with WTO principles, including the stipulations of the SPS Agreement. Benefits of membership cannot be taken for granted, and will depend on product mix, market orientation, and public and private sector capacities to manage SPS and quality requirements effectively. Present GOST-based systems are not consistent with WTO SPS/TBT principles. Experience in Armenia, Georgia, Kyrgyz Rep., and Moldova show that harmonization with WTO principles is difficult and requires much time and resources.

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GOST standards and their management differ much from international standards. Under GOST the public sector has primary responsibility for food safety, whereas under international standards the primary responsibility is mainly with the private sector, and government roles are supervision and enforcement. The focus in GOST systems is on products and 'end-of pipe' controls. International standards based systems focus more on processes and controls throughout 'supply chain'. GOST standards are prescriptive and mandatory, whereas under WTO compliant standards systems safety standards are mandatory and

most quality standards voluntary. Procedures, methodologies and criteria applied in both systems are largely inconsistent with each other, and laboratory facilities, equipment and tests incompatible. With present standard systems SPECA countries have no market access for many of their products in countries outside CIS.

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Although the GOST system served its purpose under the central planned economy of the former Soviet Union, it has weaknesses from a market economic perspective. There are over 20,000 standards, which is too many for smooth implementation. The prescriptive and mandatory nature of the standards can stifle product innovation. The system is inflexible to respond to consumer demand and new health risks. Implementation is difficult and costly because of overlapping mandates. Inspectorates have much discretionary power and there is generally weak rule of law. CIS countries cannot abandon their GOST system unilaterally because their main markets are other CIS countries that still demand compliance with GOST standards. However, GOST systems will gradually become obsolete with WTO accession of the Russian Federation and other CIS countries.

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The laboratory networks CIS countries inherited from the former Soviet Union are of massive size, and the volume of tests is very high. The GOST system was developed for control in a planned economy, not for an international standards system. Since the break-up of the Soviet system in many CIS countries maintenance of the national GOST system and supporting laboratory facilities has been poor which has decreased its functionality.

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Because of weaknesses of GOST systems, the question can be raised why CIS SPECA countries don't replace them by international standards systems? There are several reasons why this does not happen. The replacement requires complex legal and institutional change, much time and high budgetary cost. Present staffs in most SPECA countries have not been exposed much to international systems and lack sufficient technical capacity and language skills to achieve such changes. Moreover, since CIS countries still demand GOST, SPECA countries would need to have a double system, which of course is costly. Adopting international standards may have much impact on the large informal sector, since many small enterprises will not be able to comply with international standards. So, this will also require solutions.

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Vested interests in GOST systems are directly related to employment and income. From a market economic perspective there are too many institutions, too many inspections and too large numbers of staff. Institutions and staff depend on income from inspections. With abolition of the system many typical GOST skills will no longer be needed. This shows that transition will require institutional reform, much training of staff and time to adjust employment. Experience from countries in Central and Eastern Europe (CEE) that became EU members can illustrate this. In Poland the number of laboratories under the Ministry of Health declined from 248 to 66. In Lithuania three former agencies for food control merged into the State Food and Veterinary Service (SFVS), which is reporting directly to the Prime

Minister. The number of laboratories under the SFVS declined from 50 in 1994 to only 10 in 2001 and further consolidation to one central and four regional laboratories was planned.

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Despite the difficulties, there is an urgent need for CIS countries to start replacing their GOST systems by systems based on international standards. Markets accepting GOST standards are relatively limited in size, they will decline in volume and paying relatively low prices. In order to realize their potential for further growth of production these countries need diversify their products and markets. However this will in many cases require compliance with international standards. Since adoption of systems based on international standards and building the required capacities is complex, costly and requires much time, countries cannot wait but have to anticipate change by strategizing, making action plans and start with implementation.

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The roadmap to transition of the standard system includes major steps ahead. Throughout the process much attention has to be given to raising awareness and clarifying differences at all levels between GOST and international standards systems, especially the ideas behind both systems, differences between quality and safety standards, differences between public and private standards and differences in the way countries have implemented international systems. Since the process of change will be difficult because of the many interests involved, high level political guidance will be required, probably at the level of a deputy prime minister. The first task is the overhaul of the legal and regulatory system, followed by streamlining of the institutional mandates. The next step is the redesigning of inspection, monitoring and surveillance programs, and the build-up of the required technical capacities. Testing facilities would be consolidated and upgraded and adjusted to perform tests on relevant international standards. Last but not least, support should be given to the private sector for adjustment to new quality and safety requirements. Given the large informal sector, change will be gradual and differentiated to different market segments.

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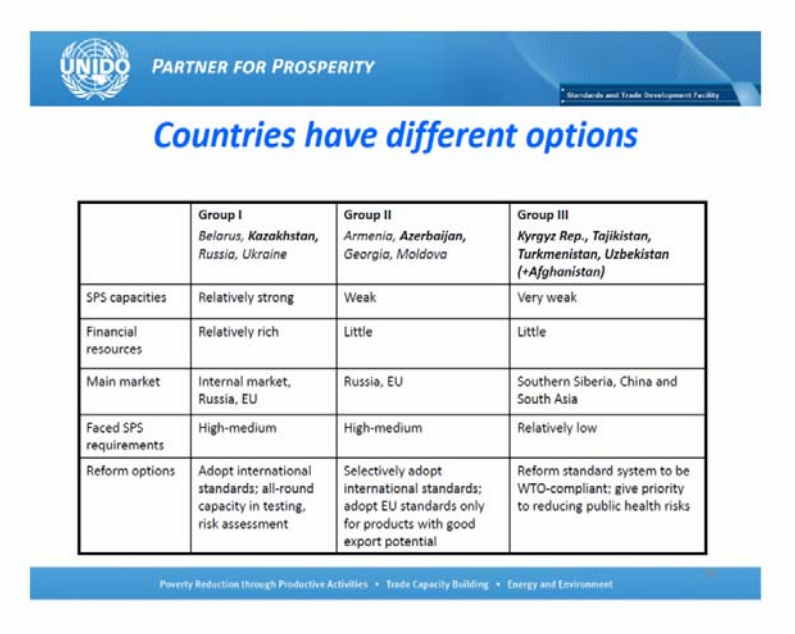

	Group I *Belarus, **Kazakhstan**, Russia, Ukraine*	Group II *Armenia, **Azerbaijan**, Georgia, Moldova*	Group III ***Kyrgyz Rep., Tajikistan, Turkmenistan, Uzbekistan (+Afghanistan)***
SPS capacities	Relatively strong	Weak	Very weak
Financial resources	Relatively rich	Little	Little
Main market	Internal market, Russia, EU	Russia, EU	Southern Siberia, China and South Asia
Faced SPS requirements	High-medium	High-medium	Relatively low
Reform options	Adopt international standards; all-round capacity in testing, risk assessment	Selectively adopt international standards; adopt EU standards only for products with good export potential	Reform standard system to be WTO-compliant: give priority to reducing public health risks

Countries have different options in adopting and implementing an international standards system, depending their present capacities, resources, trade flows and product mix. Safety and quality requirements for exporting fruit and vegetables to the EU are higher than to the Middle East or CIS countries. Safety requirements for grains are easier to comply with than for fruit and vegetables. Quality and safety requirements for supermarkets in high income urban areas are tighter than requirements in bulk markets. However, in all markets requirements are evolving and gradually becoming tighter. Different options for capacity building can be illustrated for the three CIS groups and individual countries. Small countries with a simple export package should selectively adopt international standards for products with export potential. Their import controls should focus on a limited number of priority trade-related risks. Bigger countries with varied exports should go for adoption of more standards and focus on a broader range of potential risks. Important for all SPECA countries is to improve their food safety and plant and animal health situation through improved public and private sector management.

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There is of course much interest in CIS countries in the experiences of CEE countries that joined the EU and adopted international standard systems. However, although they all share a common heritage of central planned economies and GOST systems it is important to point out that there are major differences in options between CEE and CIS. Reform objectives of CIS countries would be similar to those of CEE with regard to compliance with WTO rules, compatibility with

market economy, improved food safety, plant and animal health and improved competitiveness for their agro-food industries. However, CEE countries are closer to premium markets of the EU, more exposed to competitive pressure from companies in OECD countries and, importantly, they had to adopt the complete EU Acquis Communautaire, for which they received large-scale EU support. SPECA countries cannot expect similar amounts of external support and, therefore, should be selective and go for cheaper and more targeted reforms.

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There are questions in many countries whether small-scale farmers can comply with international sanitary standards. It is often believed, especially among specialist who grew up with large-scale state and cooperative enterprises in former state-planned economies, that only large-scale farms and enterprises have a future. However, experience in OECD countries and increasingly also in developing and former state planned economies, shows that small-scale farmers can produce competitively and safely. For this they need proper farmers organizations and appropriate support from extension, veterinary and phytopathology services, and proper inclusion in supply-chain arrangements with agro-industries.

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Private sector food processing industries in the CIS countries face important challenges. Most of them lack knowledge of food quality and safety management tools such as GMP, HACCP, and ISO, and often their facilities are out-of-date and not sufficient to adopt modern systems. In particular in SPECA countries, enterprises have little experience with modern supply-chain management. There is a role for governments to facilitate competitiveness of the private sector in various ways. First priority is to improve the investment climate and to attract foreign direct investment (FDI) which can bring in knowledge and market contacts. Second, food enterprises need for adequate infrastructure, especially water, sewage, power and connectivity. Third, food enterprises

need various business services, such as cold chains, private laboratories, certification, and Business Development Services (BDS). Although enterprises are self-responsible to upgrade their quality and safety management and qualifications of their staff and facilities, the public sector can provide incentives for upgrading through grants, tax breaks and public recognition of standards and performance.

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SPECA countries, including Afghanistan, could benefit from regional cooperation. They have similar ecosystems across common porous borders, they share common history and language, and they face similar economic challenges. Cooperation could be on promoting intraregional trade through improved infrastructure and handling trade, harmonization of SPS and TBT measures, and combatting cross-border health hazards. Although there are potential conflicts of interest there are many areas where countries could successfully share expertise and use of expensive facilities. Regional and bilateral cooperation could explore options for this, and for some cooperative issues they could also include their main neighbors and trading partners, i.e. the Russian Federation, Turkey and China.

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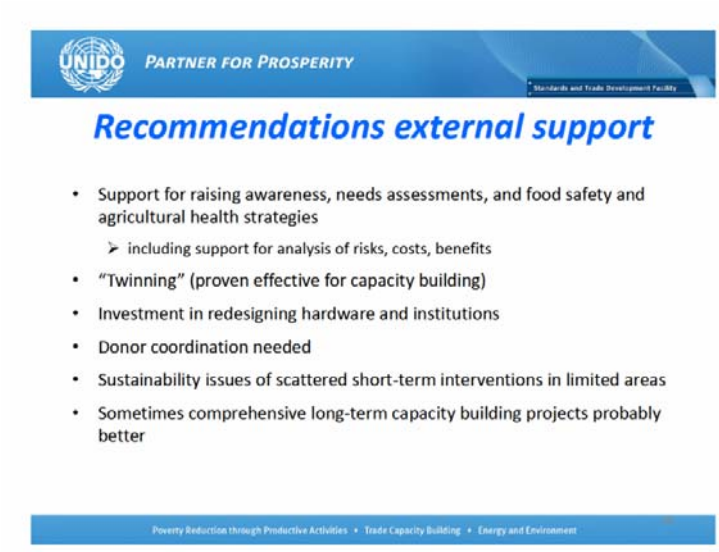

Since SPECA countries are small and have had limited exposure to institutions of market economies they need expertise and information from abroad. A main area of support would be for raising awareness, needs assessment, formulating comprehensive strategies for food safety, plant health and animal health, and developing SPS action plans. Related support would be for analysis of risks, and assessment of costs and benefits of SPS measures. "Twinning" between laboratories and specialized services during EU accession in CEE has

proven to be an effective tool in capacity building and exchange of information, and it could also be pursued for SPECA countries. In particular Baltic countries may be interesting partners for this purpose because they share the language and have already gone through the transition process. There will also be a need for investment and support in redesigning hardware and institutions, and for hands-on training in implementing new methods of standard setting, surveillance, diagnostics, upgrading safety and quality management, and conformity testing. Studies on good practice in SPS capacity building by the WTO based Standards and Trade Development Facility (STDF) show that there are often sustainability problems with SPS capacity building projects. This is in particular the case for projects with poor needs assessment. Small scale support projects with limited scope and duration which are not chosen strategically may have limited impact. Since SPS capacity building and reform requires broad efforts over a long-period of time it may be advisable to aim at comprehensive projects with long-term engagement. Lack of coordination among development partners will reduce cost-effectiveness of their support efforts.

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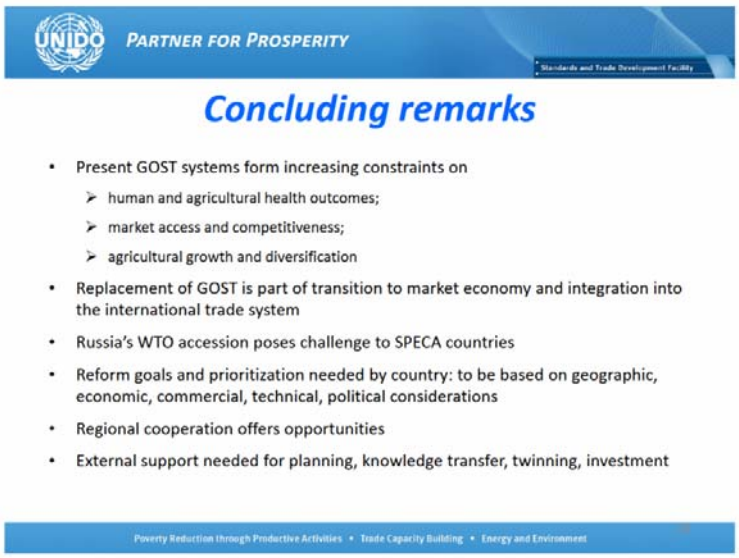

In conclusion, the GOST system of the former Soviet Union has provided good results in several areas under the centrally planned system. However, the present functioning of national GOST systems in SPECA countries shows deficiencies in health protection and in serving a market based economy. Replacement of GOST-based systems by systems of international standards is part of the transition process. At present SPECA countries still use GOST standards for their main markets which are in CIS, but when the Russian Federation accedes to WTO, GOST systems will soon become obsolete. This poses a serious challenge to CIS SPECA countries since they will suddenly face changing requirements for their exports while they have limited human and financial resources for the transition. It is important to anticipate the need for transition of the GOST standards system. Each country should make a strategy and action plan based on its capacities, geography, product mix, market opportunities and health risks. Regional cooperation could be beneficial to all countries in the region. External support from international agencies, donors and International Financial Institutions (IFI) may play an important contribution to successful transition.

Thank you for your attention.

Literature

World Bank 2007. *Food Safety and Agricultural Health Management in CIS Countries: Completing the Transition.* World Bank, Washington D.C. Report No 40069-RU

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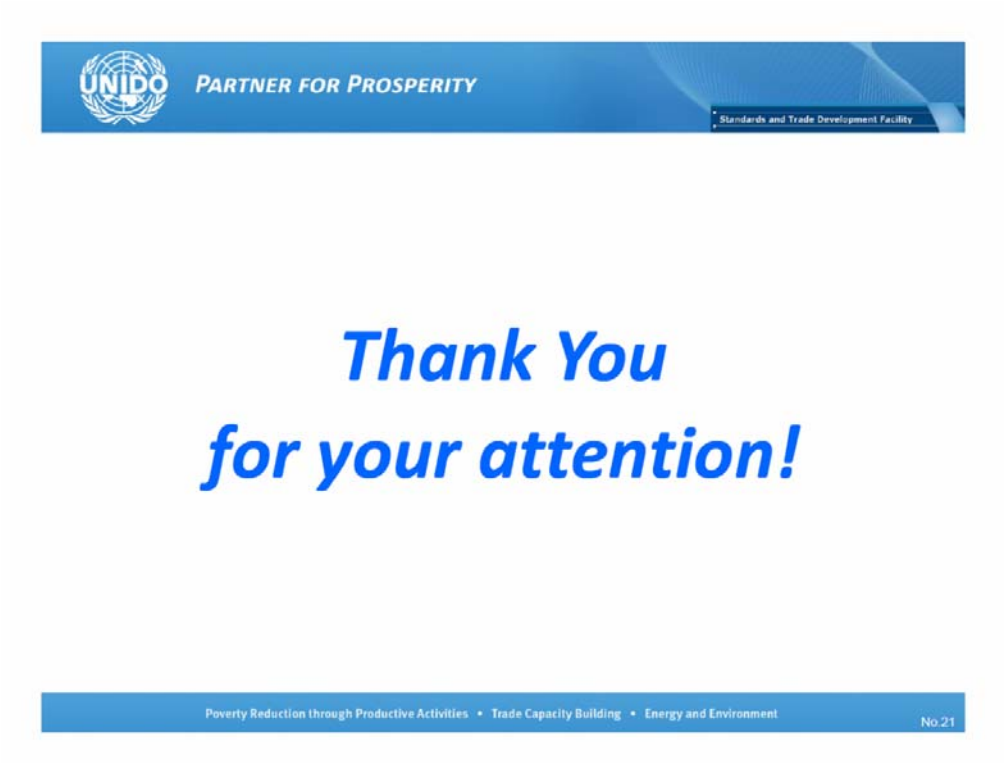
Russian version **http://siteresources.worldbank.org/INTARD/Resources/335807-1194987153844/Food_Safety_Russian_web.pdf**



Appendix 1 Main projects/activities with SPS capacity building components*

Country	Agency	Project activity	Status
Regional meetings	FAO	A 3-day expert meeting „Food safety and quality standards: updating and harmonization in transition countries" is planned to be held in Kiev, Ukraine, on 7-9 December 2010.	planned
	WTO/STDF	WTO regional workshop on Sanitary and Phytosanitary measures for selected Central Asian countries, Tashkent, Uzbekistan, from 16 to 19 February 2010	completed
	World Bank	Workshop Food Safety and Agricultural Health Management in CIS Countries: Completing the Transition, Almaty, Kazakhstan, November 30, 2007	completed
Regional project preparation Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan	World Bank	Forthcoming: Three studies are being prepared under the Central Asia Aids Control Project: - Gap analysis in Health and veterinary sectors - Economic Assessment of the impact of zoonotic diseases - Analysis of the food safety situation and development of Action plan and clear proposal for implementation of their effectiveness	planned for 2011
Azerbaijan	FAO	TCP/AZE/3201 - on strengthening phytosanitary services (2003) Revised national phytosanitary legislation and established the NPPO. A phytosanitary capacity evaluation was performed and training was provided on ISPMs considered a core function of the NPPO for implementation. This activity was further catalyzed with local efforts through the EU and other neighboring country donors to further enhance their capacity.	completed
	FAO	TCP on Food Safety Capacity Building	on-going
	GTZ	Regional economic development program in the South Caucasus (Azerbaijan, Armenia, Georgia) with component focusing on non-trade tariff barriers, especially SPS (food safety only)	on-ging
	OIE	PVS** report available to partners Gap analysis requested	completed planned
	STDF	Project preparation grant of US 30,000 for a project for strengthening border plant quarantine laboratories. FAO involved in possible implementation.	on-going
	World Bank	Agricultural Development and Credit Project-II (P090887) (closing date 2011). Includes domestic marketing and veterinary services, rehabilitation of diagnostic laboratories, training in modern epidemiology and risk-based disease management concepts	on-going
	World Bank	AVIAN FLU (formerly IBTA 2) (P066100) closed 2009.	completed
	World Bank	Food safety is incorporated in the ongoing Country Partnership Strategy discussion	on-going
Kazakhstan	FAO	Expressed interest to receive support for strengthening phytosanitary services	planned
	OIE	PVS study conducted; not available to partners Mission for legislation requested	on-going planned
	World Bank	Agriculture Competitiveness Project (P049721) US$ 33.4 million: (1) Training on technical regulations and standards and awareness campaigns (technical regulations for meat and milk products, fruits and	on-going

		vegetables, grains, and others have been developed); (2) establishment of a plant protection testing center; (3) modernization of seed testing labs through equipment and training; (4) support for accreditation of private and public laboratories (includes modernization of 9 state oblast laboratories and 60 rayon laboratories)	
	World Bank	Health Sector Technology Transfer and Institutional Reform Project P101928 (2008-2013) has a Food Safety and WTO Accession component ($8.7). This will involve: (a) harmonizing an agreed set of food safety standards and practices with the Codex Alimentarius and other key international standards/benchmarks; (b) developing standards and specifications for food safety laboratories to comply with WTO requirements and obtaining accreditation for these laboratories; and (c) upgrading the knowledge and skills of staff involved in food safety oversight functions.	on-going
	World Bank	Livestock project	planned
Kyrgyz Rep.	FAO	TCP on strengthening phytosanitary services (2003) Progress achieved during project life was impacted afterwards by the volatility of the political situation and change in management in the NPPO, resulting in a need to strengthen the human capital base. In 2009 there has been discussion to once again strengthen the phytosanitary services. The request has yet to materialize.	completed planned
	FAO	Preparation of support on “strengthening laboratories capacities”	planned
	ITC with SECO funding	National Enquiry Point for SPS assisted to become operational The SPS infrastructure will be streamlined to cater to the country’s needs in the area of food safety, animal health and plant health with regard to imports, domestic production and exports	ongoing
	OIE	PVS report available to partners PVS Gap Analysis conducted Legislation mission carried out	completed completed completed
	World Bank	AVIAN FLU (AICHPPCP) (P099453) (2006-2010) US$ 2.461 million. (1) Strengthening the national policy and regulatory environment (2) Updating essential information on migratory birds	on-going
	World Bank	Agriculture Investment and Services Project (P096993) A range of activities, including risk management is included. An animal health and brucellosis control program is now operational and being scaled up nation-wide with counterpart financing. A new veterinary law has been drafted with support of World Organization for Animal Health (OIE)/WTO.	on-going
	World Bank	Agribusiness and marketing project (PO49724) US$ 2.461 million. Supply chain management sub-component. Support of institutional and overall capacity building among private sector actors involved in the marketing of Kyrgyz agricultural and food commodities through the establishment of an Agribusiness Competitiveness Center (ABCC)	ongoing

	World Bank	Reducing Technical Barriers For Entrepreneurship and Trade (P087811) 2006-2011 The objective is to streamline the compulsory standard requirements for business, develop systems to enhance product quality and safety, and increase enterprise competitiveness in pilot sectors. The National Institute of Standards and Metrology made a twinning arrangement with German metrology institute. An independent Kyrgyz accreditation center became fully operational and accredited 68 testing and calibration laboratories and 18 certification bodies in 2008. The number of products subject to mandatory certification dropped from 5500 in early 2007 to 1600 in late 2008.	ongoing
Tajikistan	FAO	Preparation of support on "strengthening/reform of food control system"	planned
	ITC (SECO and GTZ funding)	Helped Tajkistandart to set up two laboratories for analysis and certification of foodstuffs. Those laboratories are now under process of international accreditation.	completed planned
	OIE	PVS report available to partners Gap analysis requested	completed planned
	World Bank	Avian Influenza And Human Pandemic Preparedness And Response Project (P100451) US$ 1.9 million IDA; US$ l.l million Animal and Human Influenza Facility). Strengthening field disease surveillance and laboratory diagnostic capacity.	on-going
Turkmenistan	World Bank	Avian Influenza Preparedness Project (P104304). Avian influenza control and human pandemic preparedness (1) enhancing animal health planning and coordination capability for HPAI prevention; (2) strengthening veterinary field disease surveillance and diagnostic capacity of the veterinary laboratory; and (3) strengthening HPAI outbreak containment plans.	on-going
Uzbekistan	OIE	PVS report available to partners	completed
	World Bank (with WHO cooperation)	2009 report on food safety and dissemination workshop	completed
	World Bank	Avian Influenza Project (P104304) (1) strengthening field disease surveillance and diagnostic capacity (2) enhancing animal health planning and coordination capability for HPAI prevention; and (3) strengthening HPAI outbreak containment plans	on-going

* Based on responses from EU, FAO, OIE and World Bank and websites

** Evaluation of Performance of Veterinary Services

Appendix 2 SPS principles and scope

What is SPS?

Under WTO rules countries can take sanitary and phytosanitairy measures (SPS) to protect health of consumers, crops, livestock against trade-related health hazards, provided they:

- base their measures on international standards, or science and risk analysis; and
- follow rules of transparency, non-discrimination, accept measures that give protection equivalent to a country's own measures, and measures should not be unnecessarily costly to trading partners (among others).

In order to be able to apply risk analysis for market access, countries can require their trading partners to provide information about their pest, disease and food safety situation and to take measure that prevent spread of hazards

Scope of SPS management

General

- Establishment of legal and regulatory systems
- Provision of information about laws, regulations and technical requirements
- Surveillance of pests, diseases and food safety
- Emergency interventions against outbreaks
- Establishment of pest and disease free zones
- Regulating private enterprises in production and handling of agriculture, food and forestry products

On imports

- Market access application procedures, including
  - required provision of data on pest disease and food safety situation for risk analysis; and
  - formulation of conditions on methods of production, trade and import
- Health certificates, inspection, quarantine, diagnostic testing, conformity assessment, disinfestation treatment

On exports

- Submit market access applications, including
  - required provision of data on pest disease and food safety situation for risk analysis; and
  - Negotiation on required methods of production, trade and import
- Issuance of health certificates, and, where required, conducting inspection, quarantine, diagnostic testing, conformity assessment, disinfestation treatment
- Providing proper conditions and support for private sector compliance