

**STANDARDS HARMONIZATION AND SPS CONFORMITY
UNDER THE TRADE RELATED TECHNICAL ASSISTANCE PROJECT 2 (TRTA 2)**

A Joint Project of the Philippines and the European Union

The following communication, received on 27 March 2012, is circulated at the request of the Delegations of the Philippines and the European Union.

Overview

- The TRTA 2 is a development cooperation initiative by and between the Philippines and the Commission of the European Union.
- The European Union is an important trading partner of the Philippines and TRTA2 is providing the necessary tool to realize market access opportunities by addressing SPS and food safety requirements.
- The specific purpose "is to enhance the capacity of selected Philippine Government agencies and state actors" for deeper integration into the international trading system.
- It has four components:
 1. Capacity building for trade policy and export development – to support development and implementation of a coherent and effective international trade strategy; and implementation of international commitments including those to be made in the framework of the on-going EU-ASEAN FTA negotiations;
 2. Standards harmonization and SPS conformity – to facilitate adoption of, and compliance with, international standards and regulations for selected product and service exports;
 3. Trade facilitation – to enhance competitive, transparent, and efficient movement of traded products within the international and regional trade facilitation systems;
 4. Rapid response facility – to enable rapid, efficient and effective response to unforeseen problems and issues in trade related areas through provision of short-term technical assistance.
- The project has an operational implementation period of four years – from 23 August 2008 to 22 August 2012 - and an estimated cost of EUR 7,475,000, of which EUR 6,500,000 and EUR 975,000 are to be contributed by the European Union and the Philippines, respectively.

1. The Philippines will report on the SPS sub-component of the project under the Standards Harmonization and SPS Conformity Component. The project is now in its last year of implementation and will terminate on August 2012.

2. The SPS sub-component is directly implemented by the Philippine Department of Agriculture (DA) together with its relevant agencies under the guidance and assistance of EU SPS experts.

3. The SPS sub-component has seven (7) key activities:

- (a) Review all SPS related regulations and recommend strategies for their harmonization, streamlining, and consolidation;
- (b) Implement a SPS management and control system for fishery products;
- (c) Develop and implement an ISO 17020 system for fish inspection;
- (d) Harmonize and strengthen the farm-to-fork inspection and enforcement service for poultry and poultry products;
- (e) Strengthen the capacities to identify and select appropriate traceability systems for fishery and poultry products, mangoes and bananas;
- (f) Develop and train a central ISO17025 training / technical support entity to benefit DA laboratories;
- (g) Formulate and implement a programme of support to the Micro-, Small-, and Medium-Scale Enterprises (MSMEs), to enable them to meet SPS and other requirements of international markets.

4. The DA envisions that at the end of this four-year project, the participating agencies will have further upgraded their capabilities on SPS management and control systems that are aligned with international standards and requirements.

5. In general, the TRTA 2 should help pave the way for sustaining and increasing market shares of current exports and opening more trade opportunities for our other exportable agricultural and fisheries products, and therefore contribute to the poverty reduction goals of the project. The project gave particular attention to our MSMEs in the agricultural and fisheries sector to help them meet SPS and other requirements of the international market.

6. Some Key Outputs/Results of the Project and Further Action Points

- Draft legislation has been filed at our Congress to strengthen the food safety regulatory system of the Philippines by putting in place a coordinated food safety system for local consumption and international trade to protect consumer health and facilitate market access of foods (Status: Positively supported by stakeholders and the draft is currently being further improved.);
- Successful passing of the EU Food and Veterinary Office Audit Mission by the Bureau of Fisheries and Aquatic Resources (BFAR) due to enhanced internal coordination/streamlining of work; clear guidelines on interpretation of inspection procedures/sampling practices for official control, etc.;
- Introduction to traceability concepts and options for application in fisheries, poultry, bananas and mangoes, which will form the basis for future work in this area. This is importantly related and supportive of current efforts at developing the Philippine Rapid Alert System for Food and Feed (Phil-RASFF), a web-based network on rapid alert system for the notification

of direct or indirect risks to human health, as well as risks to plant and animal life and health deriving from food or feed;

- Indexing of SPS-related issuances to facilitate the collection and systematic arrangement of the issuances in a coherent and logical manner as well as to provide a tool for policy review and formulation in order to reduce confusion, overlaps and inconsistencies. The output will also be useful to the private sector stakeholders as the SPS measures/regulations may be accessed electronically, thereby facilitating trade through improved information availability and transparency of SPS-related regulations and measures which the industry needs to know and with which it must comply;
- Support to getting ISO 17020 (inspection policies and procedures) and ISO 17025 (testing and calibration services of DA laboratories);
- Development of food safety and quality system (for high value coconut products) and HACCP for feed business operators.

7. The Philippine Department of Agriculture looks forward to TRTA 3 and continuing the efforts to strengthen SPS management and control systems.
