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FAO ACTIVITIES TO ASSIST DEVELOPING COUNTRIES IN CONNECTION WITH THE URUGUAY ROUND:

FOOD QUALITY AND SAFETY ASSISTANCE INTERNATIONAL PLANT PROTECTION ASSISTANCE GENERAL TECHNICAL ASSISTANCE

<u>Submission by the Codex and IPPC Representatives</u> <u>at the Meeting of 29-30 March 1995</u>

1. The Food and Agriculture Organization of the United Nations (FAO) is the United Nations specialized agency which provides technical advice and assistance to its member countries, particularly developing countries, on a wide range of food and agricultural topics. These include advice and assistance on food quality and safety, plant protection and quarantine activities and general advice and information on agricultural production, trade, agricultural policy and incentives for production and trade. The GATT Uruguay Round Final Act calls for technical assistance to developing countries in many of these areas. Because of its expertise, and extensive experience of providing assistance to developing countries, FAO is especially well-qualified to provide appropriate advice, technical training and other technical information to its member countries.

FOOD QUALITY AND SAFETY ASSISTANCE

Introduction

- 2. FAO's Food Quality and Standards Service is pivotal to the provision of technical assistance to developing countries in relation to food in the context of two of the Agreements that were included in the Final Act of the Uruguay Round, namely the Agreement on the Application of Sanitary and Phytosanitary Measures (the SPS Agreement) and the Agreement on Technical Barriers to Trade (the TBT Agreement).
- 3. This technical assistance has been provided by a variety of means, all interrelated, with the focus being placed on establishing or strengthening national food control systems. Included are developmental projects on food control, food law and regulations; establishment of national export food certification programmes; food contamination monitoring programmes; regional training programmes and workshops on specific technical aspects of food control; publications and technical manuals on food control subjects; expert consultations to address specific problems concerning food quality and/or safety; and the actions of the joint FAO/WHO Codex Alimentarius Commission in establishing recommended international Codes of Practice and standards of quality and safety for foods.

Direct Assistance to Developing Countries

- 4. The export of food is, for many countries, a prime source of foreign exchange and convertible currencies. The difficulty is in meeting the legitimate standards set by importing countries. This requires establishing an export food control system that can examine and certify foods before shipment, so that foreign buyers can be confident that they meet international standards and the number of shipment rejections by importing countries are kept to a minimum.
- 5. Typical of such assistance programs is a very successful FAO/UNDP assistance project with the Ministry of Agriculture and Cooperatives in Thailand. A new organization was formed under the Ministry, called the Centre for Export Inspection and Certification of Agricultural Products (CEICAP). CEICAP has been very successful with their certificates now being recognized by many countries. In addition, CEICAP has been utilized by FAO as a training site for food control officials from other countries of the Region receiving technical assistance from FAO, such as Laos and Viet Nam. Another example from a different region is the special technical assistance that was provided to Peru to strengthen its food control system for import/export after the outbreak of a cholera epidemic.
- 6. Countries that have been provided with direct FAO technical assistance to strengthen their food control systems have included Albania, Belize, Bolivia, Botswana, Bulgaria, Burkina Faso, Chile, the People's Republic of China, Colombia, Cuba, the Czech Republic, Ecuador, Estonia, Fiji, Gabon, Hungary, India, Indonesia, Ivory Coast, Kenya, the Democratic People's Republic of Korea, the Republic of Korea, Laos, Lesotho, Lithuania, Malaysia, Mexico, Mongolia, Morocco, Myanmar, Namibia, Nepal, Peru, Philippines, Poland, Rwanda, the Slovak Republic, Sri Lanka, Sudan, Tanzania, Thailand, Trinidad and Tobago, Uruguay, Vietnam and Zambia.

Regional Assistance to Developing Countries

- Regional activities in the form of workshops and seminars are a further form of technical assistance that is relevant to trade and the Uruguay Round. They achieve this through providing training and personnel development to food control officials involved in exports and imports of food. An example of such an activity is an FAO Seminar on Management of Food Control Programmes for Eastern and Central Europe that was held during September 1993 at Seibersdorf in Austria, and Modra in the Slovak Republic. Senior level food control officials of all Eastern and Central European countries participated. The programme allowed the participants to present current issues in food control confronting food control managers in most Eastern and Central European countries. Presentations by senior managers of food control programmes in FAO, the North Americas and Western Europe provided the participants with information on existing food control programmes, including the organizational structures in other parts of the world representing different systems or approaches to food control.
- 8. A similar seminar on other aspects of food control for other participants from the same countries was also held in Prague, in the Czech Republic. Recommendations from this seminar specifically requested FAO to provide seminars on the SPS Agreement at the regional level and national levels, particularly as they related to food export control. A WTO Agreement Round Table meeting was held in March 1995 for the Czech Republic, in which the SPS Agreement was discussed at length and plans are being made for additional meetings in the future in other countries.

Regular Programme Assistance to Developing Countries

9. FAO's Food Quality and Standards Service also provides technical assistance in support of international trade through its regular programme. It includes regular programme work on food quality and safety and the Secretariat of the Codex Alimentarius Commission. Both play a vital role in the international trade in food and thus in matters that require action as a result of the Uruguay Round decisions.

- 10. The Codex Alimentarius Commission is an intergovernmental body reporting to the Directors-General of FAO and WHO. Funded primarily by FAO, it implements the Joint FAO/WHO Food Standards Programme with the stated purpose of protecting consumers' health and facilitating international trade in foods. It currently has 151 Member nations. More than 280 Codex standards, 40 Codes of Good Manufacturing and Hygienic Practice and Maximum Residue Limits for 137 agricultural and veterinary chemicals in food have been adopted by the CAC for this purpose. Under the terms of the SPS Agreement, measures that are in accordance with the standards established by the appropriate international standards setting body (and this means Codex standards in the case of food related measures to protect human life or health) are automatically presumed to be justified.
- 11. The FAO's Food Quality and Standards Service also develops *Manuals of Food Quality Control* which provide recommendations for the development and operation of food quality and safety systems. These are aimed primarily at providing advice to developing countries, and document modern approaches including the development of quality control programmes throughout the food chain. Such an approach is instrumental in facilitating international trade in food. Key titles in the series include *Food Inspection*, *Food for Export, Management of Food Control Programmes and Imported Food Inspection*.

INTERNATIONAL PLANT PROTECTION CONVENTION ASSISTANCE

Introduction

12. Technical assistance is provided by FAO to members in developing countries to upgrade their plant quarantine services to a fully operational level. This assistance is given through the regular programme as well as the FAO field programme (see Annex).

Regular Programme Assistance to Developing Countries

13. In connection with the regular programme, assistance is provided through the development of international standards and guidelines in plant quarantine which would ensure that quarantine measures are scientifically based and would not constitute unwarranted trade barriers. To this effect, the Secretariat for the International Plant Protection Convention (IPPC) was established to guide a work programme on harmonization in plant quarantine. In addition, a Committee of Experts on Phytosanitary Measures (CEPM) was established to assist the IPPC Secretariat in its work. The first international standard which was approved was the Principles of Plant Quarantine as related to International Trade. Other proposals have been developed and are in various stages of approval. These include the "Guidelines for Pest Risk Analysis", the "Code of Conduct for the Import and Release of Biological Control Agents" and the "Glossary of Phytosanitary Terms". The first two proposals will be submitted for their approval in 1995, while the Glossary will be published. Other proposals are being developed, including the "Requirements for Pest Free Areas". The publication of these standards will assist member countries in harmonizing their quarantine measures to enhance plant protection while facilitating trade.

Direct Assistance to Developing Countries

14. As regards the FAO field programme, assistance has been provided in upgrading plant quarantine services of member countries through the assessment and improvement of quarantine legislation, the provision of basic facilities for inspection and treatment, the establishment of survey programmes, and the training of staff in quarantine procedures, including the current developments in harmonization in plant quarantine. This assistance has been given essentially through Technical Cooperation Programme (TCP) Projects. Additionally, technical support has been provided to other projects funded by various donors (UNDP, Trust Fund, World Bank, etc.).

15. The provision of assistance under the aforementioned areas is aimed at strengthening and updating the capabilities of the quarantine services of member countries to enable them to meet the demands of present developments in plant quarantine as related to international trade and, thus, promote adequate plant protection and enhance trade.

GENERAL TECHNICAL ASSISTANCE

Introduction

- 16. During the course of the Uruguay Round, the FAO Secretariat was encouraged by FAO Council and Conference to assist members in their preparations for the Negotiations. This was done on a number of occasions when the Secretariat provided statistics, information and studies to assist groups of developing countries during the negotiations, particularly the Group of Net Food Importing Developing Countries but also other regional economic groupings.
- 17. As the Round came towards its end, FAO switched the emphasis of its assistance to how to deal with the changes in the external trading environment post Uruguay Round. Prominent in these activities were the holding of two regional expert consultations, one with ECOWAS for the Africa region and one with the World Bank for Latin America. The former was held in Ghana in 1993 and attended by experts from countries in the ECOWAS region, where the implications of the conclusion of the Uruguay Round for agricultural policy both domestic and external and for food security were examined. The Latin American Consultation concentrated on the issue of possible instruments for market stabilization in the wake of the Uruguay Round. These regional activities were supplemented by pioneering studies on the implications of trade liberalization for food security, particularly food aid and for food stocks. These contributed in part to the exclusion of food security stocks from domestic support reduction commitments and to an acknowledgement that food aid could be affected by the reform process.
- 18. We have built on these pieces of work in our current activities to help countries deal with post Uruguay Round realities. These activities may be grouped as regional, national level, and global.

Regional Activities

19. As regards regional activities, FAO has already arranged two expert consultations, one in Cyprus in December 1994 and another in Bangkok in January 1995. The Near East Expert Consultation examined the impact of the Uruguay Round on agricultural trade of the region, including intra-trade questions and the particular prospects for the horticultural exports from the region to the European Union as a consequence of the changes in access provided under the Round. The Expert Consultation for the Far East focused on the oilseeds and oilseed products sector and included a consideration of changes in the global and regional markets as well as policy implications. Unfortunately, the GATT Secretariat was not able to participate in either of these activities.

National Activities

20. The FAO is responding to a large number of requests from developing countries for assistance in assessing the consequences of the Uruguay Round on their national agricultural policies. Our biggest project, financed by the Dutch Ministry of Agriculture, is to help Ethiopia undertake a review of its agricultural policy to take into account the changes in the world external trading regime. This pilot project should be concluded in 1995 with a regional Workshop to be held to learn the lessons for policy formulation of this initial project. For other countries, e.g. Cuba, Brazil and Pakistan, FAO is or will be participating in Round Tables or Seminars on the Uruguay Round. Some work has been done

for the CARICOM region while a report is being prepared for Tunisia. Staff have briefed or will brief individual countries on special aspects of the implications of the Uruguay Round for their policy formulation. Both Panama and the Czech Republic have been assisted in this way.

Global Activities

- The global activities underway, which benefit all members, include studies, publications and meetings. The main study on which we are currently engaged is a detailed projection of the outlook to 2000 of production, consumption, imports, exports and prices for around 20 main agricultural commodities taking into account the effect of both the Uruguay Round as well as the other major changes underway in national and international agricultural policy. These projections are being done for all countries and groups of countries. For this purpose we have especially modified our World Food Model, which contains over 14,000 equations and have entered into the model all the changes in tariffs, access provisions and export subsidy commitments for all detailed products and have aggregated them into manageable groups. This work has occupied a group of around 20 commodity specialists, econometricians and model builders for several months. The results will be published over the course of the next 6-12 months. Once these studies are finished we should endeavour to cover the other main agricultural commodities. The results on commodity markets will be presented to the Committee on Commodity Problems at its next Session in April 1995. The impact on food security of these projections including the problems of higher food import bills for the Least Developed and Net Food Importing Developing Countries will be taken up by the Committee on World Food Security, also in April 1995. All of FAO's Intergovernmental Commodity Groups will examine the outlook post Uruguay Round at their meetings the first of which, on meat, took place in October and the others will be taking place over the next year-eighteen months. In addition to papers and studies for our Governing Bodies, FAO will issue a book-length study detailing the results commodity by commodity mentioned before. FAO is also working on the preparation of teaching materials for our training activities in agricultural policy formulation.
- 22. FAO looks forward to working with other organizations in assisting countries in their assessments of the impact of the Uruguay Round on national agricultural policies. FAO has worked closely with some of the international commodity councils, with independent researchers and has good contacts with the World Bank, OECD, WTO and UNCTAD. However, it must be recognized that assisting countries to take into account the Uruguay Round when formulating their agricultural policies will need increased resources.

ANNEX

FAO PROGRAMME FOR PLANT QUARANTINE HARMONIZATION

Technical Support Programme

IPPC Secretariat: 28 March 1995

- 1. The programme is intended to supply support for the strengthening of Plant Quarantine Services, including their infrastructure, the training of staff and the provision of equipment, and training associated with the implementation of international standards for phytosanitary measures.
- 2. In the last year the Secretariat has been involved in projects for strengthening of plant quarantine services such as:
 - the Near East (regional project)
 - Dominica
 - Malta
 - Syria
- 3. Specific training was given on the Principles of Plant Quarantine as Related to International Trade and Pest Risk Analysis.
- 4. In the future, projects are planned for Africa in:
 - Ghana
 - Zaire
 - Gambia
- 5. Also, a regional project is planned for SADC member countries for the implementation of Pest Risk Analysis and the production of pest data sheets.
- 6. All the above projects have been or are to be funded under the FAO Technical Cooperation Programme (TCP).
- 7. FAO is also supplying technical assistance to a plant quarantine project in India, funded by UNDP.
- 8. A project for CARICOM members, for the harmonization of plant quarantine and the implementation of standards, is under consideration for external funding by international donors.