

Meeting Standards, Winning Markets

Trade Standards Compliance **2015**

Rationale and Key Findings



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Acronyms

AQSIQ	Administration of Quality Supervision, Inspection and Quarantine, China	LDC	Least developed countries
ASEAN	Association of Southeastern Asian Nations	MCS	México Calidad Suprema
AVA	Agrifood and Veterinary Authority, Singapore	MPCA	Malaysia Phytosanitary Certification Assurance
BIPM	Bureau of Weights and Measures	MRA	Mutual Recognition Arrangement
BRC	British Retail Consortium	MRL	Maximum Residue Levels
BRICs	Brazil, Russia, India and China	MSC	Marine Stewardship Council
CAADP	Comprehensive African Agricultural Development Programme	MT	metric tonnes
CIPM	International Committee for Weights and Measures	NAB	National Accreditation Body
CMC	Calibration and Measurement Capabilities	NGO	non-governmental organisation
CSO	civil society organization	NIB	national inspection bodies
DRC	Democratic Republic of the Congo	NMI	National Metrology Institute
EAC	East African Community	NPO	non-profit organization
EC	European Community	NQP	national quality policy
ECOWAS	Economic Community of West African States	NSB	National Standards Body
EP	European Parliament	NTB	Non-Tariff Barriers
EU	European Union	NTMs	Non-Tariff Measures
FAO	Food and Agriculture Organization of the United Nations	OASIS	Operational and Administrative System for Import Support, United States
FDA	Food and Drug Administration, United States	OECD	Organization for Economic Cooperation and Development
FIPs	Fishery Improvement Partnerships	OIE	World Organization for Animal Health
FOB	free on board	PC	principal component
FSC	Forest Stewardship Council	PCA	principal components analysis
FSI	Food Safety Initiative	QI	quality infrastructure
FSMA	Food Safety Modernization Act, United States	R&D	research and development
GAA	Global Aquaculture Alliance	RAB	Regional Accreditation Body
GAP	Good Agricultural Practices	RASFF	Rapid Alert System for Food and Feed, EU
GDP	gross domestic product	REC	Regional Economic Communities
GFSI	Global Food Safety Initiative	RRRI	Relative Rejection Rate Indicator
GMP	Good Manufacturing Practices	RSPO	Roundtable on Sustainable Palm Oil
HACCP	Hazard Analysis and Critical Control Point	SADC	Southern Africa Development Community
HS	Harmonized Commodity Description and Coding System	SALM	Skim Akreditasi Ladang Malaysia
IAF	International Accreditation Forum	SDO	Standard Development Organizations
IDH	Dutch Sustainable Trade Initiative	SME	small and medium enterprises
IEC	International Electrotechnical Commission	SPS	Sanitary and Phytosanitary
IFS	International Food/Featured Standard	TBT	Technical Barriers to Trade
ILAC	International Laboratory Accreditation Cooperation	TC	technical committees
ILO	International Labour Organization	TSCCI	Trade Standards Compliance Capacity Indices
IMF	International Monetary Fund	TSCR	Trade Standards Compliance Report
IPM	Integrated Pest Management	UNCTAD	United Nations Conference on Trade and Development
IPPC	International Plant Protection Convention	UNEP	United Nations Environment Programme
ISEAL	International Social and Environmental Alliance	UNIDO	United Nations Industrial Development Organization
ISO	International Organization for Standardization	VHT	vapor heat treatment
ISPM	International Standards for Phytosanitary Measures	WFF	World Forum of Fish Harvesters and Fish Workers
ITC	International Trade Centre	WTO	World Trade Organization
KCDB	Key Comparison Data Base	WWF	World Wide Fund for Nature
LAC	Latin America and the Caribbean		

Rationale and Key Findings

The increasing importance of standards in international trade of agrifood products

The latest wave of globalization has been characterized by a remarkable process of market liberalization. With the completion of numerous rounds of multilateral, regional and bilateral trade negotiations, the world economy has seen a significant overall decline in tariff levels during the past couple of decades. However, despite the overall reduction in tariff levels, many developing countries have not been able to substantially increase their participation in global trade. Potential gains from tariff reductions have not been realized and in some cases even eroded due to an increased use of non-tariff barriers to trade. Among such non-tariff barriers one typically finds technical regulations and (public) standards. In addition, in recent years private standards have gained in importance and grown in number and are increasingly affecting and shaping international trade flows.

Technical standards for products and also for (production) processes are not new; they have been in existence for well over 100 years. Long before globalized trade took off, countries developed technical standards to guarantee consumer safety, increase transparency in markets, facilitate product compatibility, and ensure that products met consumer needs. In many cases, the compliance requirements placed on imported products are, in fact, simply the same as the requirements placed on domestic products. However, in the recent past, standards have been applied in international trade with growing intensity. On the one hand, this trend towards standardization and application of standards is driven by legitimate motives including consumers becoming more demanding regarding the safety and quality of products, managerial and technological innovations (e.g. in production processes and product design), as well as increased awareness and concern for social and environmental sustainability issues among many governments, consumers, non-governmental organizations (NGOs) and civil society organizations (CSOs). On the other hand, however, standards can be used in a way that hampers trade and, indeed, act as disguised protectionist measures (they are hence referred to as barriers). In a world of low tariff levels and far-reaching multilateral trade disciplines under the WTO, the ability of governments to arbitrarily impose or increase tariffs or quantitative restrictions on trade is limited so that they are sometimes tempted to resort to other

means to restrict imports, including through the application of standards that have discriminatory consequences for trade partners (WTO 2005).

Trade-related standards and compliance challenges

Throughout this report, reference will be made to “trade standards”. Indeed, even the title of this publication makes reference to “trade standards”. It is therefore pertinent to briefly explain what is meant by “trade standards”.

The term “trade standards”, the way it is used here, corresponds to a meta-concept that encompasses different sub-categories. Broadly speaking, in the present report the term “trade standards” refers to all technical regulations, requirements and standards (and all measures based on them) related to quality and safety aspects of products which are used and applied in cross-border commercial transactions and which, thus, affect and shape international trade flows. That is, the term “trade standards” when used in this report can refer to technical regulations, to voluntary (public) standards and, in some occasions, also to (voluntary) private standards. The first two types are also known to and defined in the WTO Agreements on Technical Barriers to Trade (TBT) and on the Application of Sanitary and Phytosanitary (SPS) Measures – with the latter agreement being of relevance here because the focus of the analyses undertaken in this report is on the agrifood sector and on food safety and human health issues.

Let us briefly recall the definitions of these different concepts and terms. According to Annex 1 of the WTO Agreement on Technical Barriers to Trade (TBT), a technical regulation is a “[d]ocument which lays down product characteristics or their related processes and production methods (...) with which compliance is mandatory. It may also include or deal exclusively with terminology, symbols, packaging, marking or labelling requirements as they apply to a product, process or production method.” Technical regulations are, hence, based on standards with which compliance is compulsory and legally binding. A standard, by contrast, is defined by the WTO TBT Agreement to be a

“[d]ocument approved by a recognized body that provides, for common and repeated use, rules, guidelines or characteristics for products or related processes and production methods, with which compliance is *not* mandatory” (*emphasis added*). In other words, the WTO TBT agreement covers both product standards and process standards and distinguishes between standards with which compliance is voluntary and those with which compliance is mandatory (with the latter being called “technical regulations”).¹

In addition, international trade flows (not least in agrifood products) have also become increasingly affected by *private* standards. Private standard schemes are voluntary standards developed and applied by non-public entities (primarily private companies and company consortia but also CSOs and NGOs). Typically, private standards are required by global brand producers and retailers when they source their products from suppliers, be they domestic or foreign firms. They are today a key mechanism for lead firms wishing to translate requirements – both product and process specifications – to other parts of the supply chain. They can also serve as mechanisms for safety and quality assurance and facilitate traceability, transparency of production processes, and standardization but also differentiation of products. In any case, providing a concise definition of ‘private standards’ is a complicated task given that there exists a multitude of norms, guidelines, codes and initiatives with different types of communication and verification mechanisms that are collectively considered as private standards. In fact, most private standards are not ‘standards’ in the strictest sense of the term. Still, one can distinguish between several types of private standards and roughly divide them into *buyer codes of conduct*, *certificates*, and *product labels*. Yet, even within these various types of standards, there are wide differences with regard to the application and governance required, their substantive focus, level of stringency, and auditing processes.

In recent years, their use has become more important and more widespread and they are covering a growing spectrum of issues, ranging from food safety and environmental sustainability to labor conditions and social sustainability. In many cases, such private standards include norms that go beyond national and local laws and even international (public) standards and/or contain further conditions. Often, such private standards are related to certification schemes which serve to signal compliance to consumers (see UNIDO 2010, FAO 2011). Given their private nature, compliance is not assessed by public entities and non-compliance does not entail sanctions by public authorities. Still, non-compliance can impede (or lead to disruptions of) international trade flows if global brand producers or retailers refuse to import and accept supply from producers that are unable to meet and/or get certified to the private standards they

apply. This implies that although by definition private standards are voluntary, in practice they may become *de facto* mandatory wherever compliance is required for entry into certain markets.

The concept of “trade standards” used here comprises all these different types of standards described above. However, the different analyses undertaken in the various chapters of this report do not always refer to all the three types to the same extent. The first chapter of this report, for example, analyzes import rejections which are instances where non-compliance with mandatory public standards (i.e. technical regulations) gets sanctioned by public authorities in the importing country through the refusal of market entry for the shipment concerned. This chapter does not cover rejections due to non-compliance on phytosanitary requirements. The final chapter of this report, on the other hand, focuses more narrowly on private standards and their (potential) impact on international trade, particularly on agrifood exports from developing countries. Meanwhile, the chapters in between – one analyzing the role of standards in South-South trade and the other two presenting the findings of two surveys – make reference to the whole set of standards (from technical regulations and voluntary public standards to private standards), excluding those related to plant or animal health and their relevance for cross-border commercial transactions.

The multilateral trading system and trade-related standards

The recognition that standards shape, and indeed can restrict, international trade flows led WTO members to develop two specific agreements that is, the agreements on TBTs and SPS measures mentioned above (however, -in the case of the SPS Agreement- no decision was reached to date on whether it covers private standards). Over the past decades, and particularly under the leadership of the WTO since 1995, the global trading system has increasingly become codified and rule-based. Essentially, the WTO lays down legal ground rules and disciplines for international trade (in both goods and services) and for trade-related aspects of intellectual property rights. These rules are contained in multilateral trade agreements which basically constitute contracts that bind governments to operate their trade policies in accordance with what was agreed in multilateral negotiations.

The WTO Agreements on TBT and SPS measures have contributed to specify this rule-based global trading system. They provide an overall framework on technical regulations and standards and set disciplines on their application in a trade-related context. The TBT Agreement, for example, lays down how technical regulations, standards, and conformity assessment (e.g. sampling, inspection, testing and certification) procedures should be designed and used so that they do not constitute un-

1 See the full text of the TBT Agreement on www.wto.org/english/docs_e/legal_e/17-tbt_e.htm. For further information on standardization and conformity assessment, see also ISO and UNIDO (2008, 2010), for example.

necessary obstacles to trade. It permits technical requirements that are established for legitimate purposes such as consumer or environmental protection but prohibits technical requirements created with the intention to limit international trade. With reference to the WTO's "national treatment" rule, the TBT Agreement also aims at banning discriminatory features from countries' technical regulations. Against this backdrop, WTO member states are recommended to adopt international standards (for example, those developed by the International Organization for Standardization, ISO) as their technical requirements where they exist and whenever possible. At the same time, the TBT agreement also encourages countries to recognize the results of other countries' conformity assessment procedures (for example, tests that determine whether or not a certain product is in compliance with a given standard).²

Meanwhile, the WTO SPS Agreement focuses more narrowly on the application of regulations relating to food safety as well as animal and plant health (phytosanitary measures) with respect to the spread of pests or diseases.³ That is, the SPS Agreement covers all measures whose purpose is to protect (1) human or animal health from food-borne risks (arising, for example, from additives, contaminants, toxins, or disease-causing organisms in foodstuffs), (2) human health from animal- or plant-carried diseases, and (3) animals and plants from pests, diseases or disease-causing organisms. By their very nature, such SPS measures may result in impediments to trade. For this reason, while the SPS Agreement permits governments to maintain appropriate sanitary and phytosanitary protection and accepts the fact that some trade restrictions may be necessary to ensure food safety and animal and plant health, it restricts the use of unjustified sanitary and phytosanitary measures for the purpose of trade protection. More precisely, in order to reduce possible arbitrariness of decisions, the Agreement requires any SPS measure to be based on scientific principles and assessment, to not unjustifiably discriminate among foreign sources of supply, and to be applied only to the extent necessary to protect human, animal or plant life or health and for no other purpose than that of ensuring food safety and animal and plant health. In this context, the SPS Agreement encourages governments to "harmonize" or base their national SPS measures on the international standards, guidelines and recommendations developed by three standard-setting bodies, including the joint FAO/WHO Codex Alimentarius Commission (for food safety), the World Organization for Animal Health (OIE), and the International Plant Protection Convention (IPPC). In summary, the aim of the SPS Agreement is to maintain the sovereign right of WTO members to provide the level of health protection it deems appropriate while ensuring that these sovereign rights are not misused for

² See www.wto.org/english/docs_e/legal_e/17-tbt_e.htm.

³ That is, the TBT and SPS agreements have complementary scopes: The TBT Agreement covers all technical regulations, voluntary standards and conformity assessment procedures *except those* that are SPS measures and, thus, covered by the SPS Agreement.

protectionist purposes and do not result in unnecessary barriers to international trade.⁴

While these international trade rules and disciplines, as enshrined in the WTO agreements, lay the foundation for equitable treatment for all, they require the capacity to both comply with and provide proof of compliance with the resulting trade-related standards. In its Trade Standards Compliance Reports, UNIDO is particularly interested in the study of challenges that developing countries face in complying with such trade standards, as well as in the analysis of root causes and consequences of non-compliance.

UNIDO's trade standards compliance analyses: Looking back and ahead

It is against the background of this increasingly rule-based global trading system that, since 2008, UNIDO has taken the initiative to collect evidence on a regular basis about trade-related challenges and their evolution over time, in particular in the area of compliance with (quality, certification, labeling, etc.) requirements set by international markets. With funding from the Norwegian Agency for Development Cooperation (NORAD) and in partnership with the Institute of Development Studies (IDS), UNIDO publishes since 2010 a periodical Trade Standards Compliance Report (TSCR) to systematically examine the challenges that developing countries face with regard to trade standards in the agrifood sector, and to support domestic policies and technical assistance to overcome them.

The starting point was the compilation and analysis of data on import rejections of agrifood products for two markets, the United States (US) and the European Union (EU), which were presented in the 2010 TSCR. Such import rejections give indications on the scale and root causes of compliance challenges of developing countries and allow to make estimations of the financial implications of non-compliance. Over time, UNIDO has been granted access to the data of two additional markets, Japan and Australia, which has made it possible for this second edition of the TSCR to present a comprehensive comparative analysis of import rejections of agrifood products for four major international export markets.

Against the picture of such trade standards compliance challenges, the TSCRs also assess the exporting countries' ability to detect and prevent non-compliance and the resulting export losses. For this purpose, UNIDO has developed and applied new innovative methodological tools. The 2010 TSCR introduced a Quality Infrastructure (QI) survey and the concept of a cost-benefit model for technical assistance. The present 2015 TSCR refines the QI survey tool and adds the findings from a corporate buyers' compliance confidence survey. Overall, this 2015 TSCR

⁴ See www.wto.org/english/tratop_e/spis_e/spisund_e.htm.

presents three measures of developing countries' trade standards compliance capacity that will be described in the following.

Assessing the trade standards compliance capacity of developing countries: An overview of measures

As described above, technical regulations and standards are increasingly prevalent in international trade, particularly of agrifood products, and continuously evolving (Henson and Humphrey 2009). Moreover, there is evidence that many developing countries (and exporters therein) face challenges in complying with the food safety and/or quality requirements that these regulations and standards lay down in a manner that maintains their competitiveness (World Bank 2005). In a bid to address these challenges, national governments and donors are making investments in compliance capacity in many developing countries, both within the public and private sectors. Such investments include 'hard' infrastructure (such as laboratories), the development and/or reform of institutional and administrative structures (for example national standards bodies and technical regulation frameworks), and the upgrading of production processes along agrifood value chains (for example the implementation of GAP and HACCP).

The challenge for national governments and donors is to allocate scarce financial and technical resources amongst a seemingly unending array of compliance capacity needs. In an effort to use such resources in an effective manner, there is a need to identify where the most acute compliance challenges are faced; in a trade context this means identification of the products and markets where the highest rates of non-compliance are recorded. A further and related challenge is appraising the status of the underlying compliance capacity across the public and private sectors, i.e. the ability to undertake the critical functions needed to achieve compliance in a manner that is recognized by the government and commercial customers in key export markets. The STDF has taken-up this challenge and developed a tool, the SPS MAP, which supports countries for such SPS-related decision-making.

Historically, efforts to appraise the trade-related compliance challenges faced by developing countries have typically focused on product and/or country-specific cases, often in the context of conspicuous incidents, such as regulatory reform or the imposition of new standards in export markets or the rejection of product consignments following official inspection. While such analyses have utility in highlighting specific compliance challenges, their failure to provide a systematic and comparative analysis across products and export markets and over time means that they are a relatively poor basis on which to allocate capacity-building resources. With this in mind, UNIDO set about defining a series of metrics that can facilitate a more comprehensive analysis of the trade-related compliance challenges faced by developing countries, with initial results reported in the 2010 TSCR (UNIDO 2011).

The starting point for UNIDO's work in this area was to utilize existing data, but to establish a more systematic manner in which these data might be analyzed such that the compliance performance of developing countries can be compared across products, exports markets and time. For some time, data on official rejections of agrifood product imports into the United States and the EU have been compiled, and indeed in recent years have been made publically available. The challenge with these data is to make sense of a very large volume of records of product consignment rejections such that the performance of developing countries *relative to one another* can be assessed on an ongoing basis. Thus, the TSCR 2010 proposed three summary measures of compliance capacity. The first measure is based on **import product rejection data** and applied these to records of official USD and EU rejections of agrifood products. These measures were shown to be robust and to reveal patterns in rejections across export markets and products and over time, such that they provide a credible indicator of compliance performance. Chapter 1 updates these prior estimates and extends them to further industrialized country markets, namely Australia and Japan.

It is recognized, however, that official import rejection data provide only a partial account of the compliance challenges faced by developing countries. They only record instances of non-compliance with technical regulations that are enforced through

What are the priorities to strengthen compliance with trade standards?

Developing countries face considerable demands to enhance their SPS capacity and strengthen compliance with trade standards, as a means to boost agri-food exports or meet other policy objectives. Since resources from national budgets and development partners are generally insufficient, priorities must be established. The STDF has developed a new decision-support tool – SPS Market Access Prioritization (SPS-MAP) – to help prioritize and make choices between competing SPS investments for market access, based on a multi criteria decision analysis approach. Effective use of the tool depends on the engagement of all relevant public and private sector stakeholders. Initial experiences have pointed to the value of this approach to, inter alia, encourage public-private dialogue, promote transparency, improve the economic efficiency of investment decisions and leverage funding. For more information, see: <http://standardsfacility.org/sps-market-access-prioritization>.

inspection regimes in the respective export market. Further, rejections are only recorded when trade actually takes place; it could be that trade is partially or fully curtailed, for instance because export market buyers choose to source elsewhere. To address this gap in the analysis, a new **corporate buyers' compliance confidence survey** among companies in export markets has been implemented for the present 2015 TSC Report. The rationale behind this survey is that indicative information on the compliance performance of developing countries can be derived by consulting the corporate buyers of particular products from specific developing countries in order to complement the information already provided by the analysis of official import rejection data. For example, such buyers will routinely make judgements and/or have experience of the ability of particular countries (and exporters therein) to meet their food safety and quality requirements, which will in turn reflect the stipulations of technical regulations and the standards that they and/or their ultimate customers have adopted. Their perceptions of the compliance capacity of certain countries and the producers in the countries matter for their decisions where to source from. The corporate buyer survey aims to provide a systematic and consistent way in which to gather this information. The findings of a pilot application of the buyer survey are presented in Chapter 2.

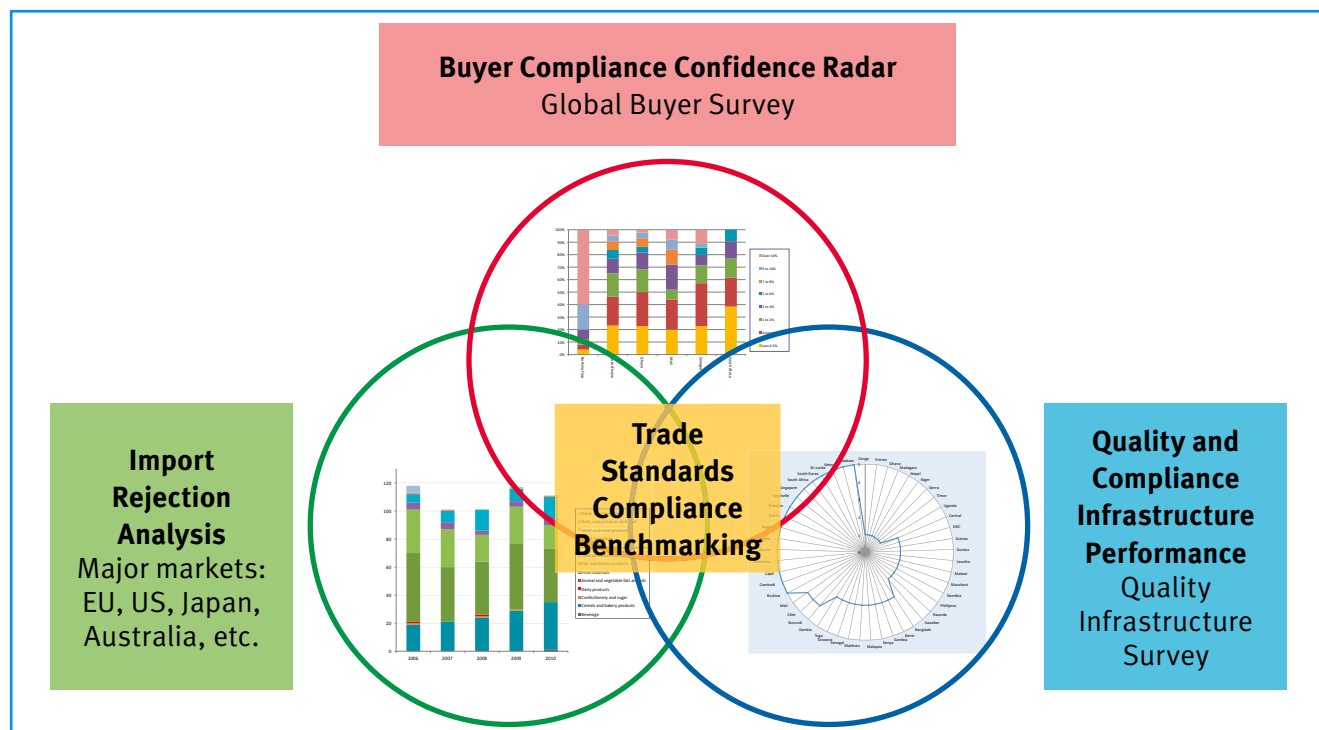
Based on data collected through a QI survey, the 2010 TSCR presented a series of **Trade Standards Compliance Capacity Indexes (TSCCI)**, the aim of which is to assess the prevailing capacity of the quality infrastructure and a series of critical underlying compliance functions in developing countries. These include the ability to set technical regulations and standards, to undertake metrology, testing and inspection services, to accredit

public and private providers of compliance services, etc. As with the analysis of import rejection data, the premise underlying the TSSCI is that the capacity of developing countries should be assessed relative to one another rather than against a strict benchmark, since it is the relative capacity and performance of countries that determines their trade competitiveness. Thus, capacity indices are derived for each of these compliance functions. The application of the TSSCI concept in the 2010 TSCR highlighted the challenges with gathering a sufficiently comprehensive and rigorous set of data to permit defensible measures to be derived. Thus, the structure of the indices has since been rethought and an improved data collection instrument designed and applied. Results for a much larger set of countries are presented in Chapter 3.

In summary, these three strands of analysis allow to look at the trade standards compliance capacity and challenges of developing countries from three different angles or through three different lenses which are complementary and provide a fairly holistic picture (see also Figure 1), as follows:

1. The **import rejection data** provide the importing markets' (public) regulator's perspective.
2. The **corporate buyers' compliance confidence survey** looks at developing countries' compliance capacity from the perspective of the importing private company.
3. The **Quality Infrastructure (QI) survey** provides the perspective of the exporting countries' (mainly public but also private) QI and conformity assessment institutions.

Figure 1. Three lenses on trade standards compliance capacity and challenges



These three distinct measures of trade standards compliance capacity aim to pull together a relatively comprehensive and consistent picture of the performance of particular developing countries in complying with technical regulations and standards in international agrifood markets. Together, they help to identify weaknesses in a country's compliance capacity that it needs to address to fully exploit its export potential. They can also serve an important benchmarking function as they enable us to see where a given country's capacity to undertake the critical functions underlying compliance is strongest and weakest relative to other countries in the same region or at a comparable level of economic development. They also reveal the exports markets and products where the greatest challenges are faced in complying with both official food safety and quality regulations and also the requirements of corporate buyers in the importing market. Overall, the results from these three strands of analysis provide useful indications of where development efforts and technical assistance are most beneficial.

Of course, all of these measures remain 'work in progress'; they will need further refinement and adjustment in the light of experiences with data collection and analysis. Efforts also need to be made moving forward towards pulling the results from these distinct analyses together in the form of specific country case studies, which is seen as a priority for the next TSCR.

Key findings

This report presents a wealth of innovative and detailed analyses but the key findings can be summarized as follows.

Chapter 1 updates the analysis of EU and US agrifood import rejections presented in the 2010 TSCR and expands it by including data from two additional international export markets, namely Australia and Japan. This in-depth analysis is undertaken for the agrifood sector in aggregate as well as for important agrifood product sub-groups such as fruit and vegetables or fish and fishery products. A number of different indicators (e.g. unit rejection rates and relative rejection rates) are presented to facilitate interpretation of the data and to allow comparisons across export markets and the benchmarking of individual countries' performance against that of their peer group. The chapter also aims to quantify the financial implications of import rejections and provides estimates of "export losses" incurred by developing countries due to the rejection of agrifood product shipments by the authorities in export markets.

The patterns and trends in rejections of developing country exports point to the countries, products and value chains that are most affected by compliance challenges and also give an indication of the main reasons and the scale of missed trade opportunities in the Australian, EU, Japanese and US markets (and how this changes over time). One finding is that a relatively small number of countries – among them many Middle-Income

Countries (MICs) – account for the bulk of import rejections of agrifood products. In fact, across all four markets that are analyzed, the rankings of the countries with the highest number of rejections are dominated by MICs.

Moreover, it is observed that some countries have high rejection rates in all markets for all or most of the commodities they export, suggesting systemic deficiencies and the need to strengthen their overall compliance capacities or quality infrastructure (QI). Examples include Bangladesh, China, the Dominican Republic, Egypt, Ghana, India, Lebanon, Nigeria, Pakistan and Sri Lanka. Other countries face substantial import rejections in particular markets, possibly indicating challenges to comply with specific technical regulations in specific export markets. This is true, for instance, for El Salvador and Senegal in the US market, for Thailand and Turkey in the EU market, for the Fijis in the Australian market, and for Peru in the Japanese market. Another example is Colombia which, in general, is a good performer but its nuts and seed exports suffer from relatively high rejection rates in the US market. Still other countries have high rejection rates for particular commodities or product groups only, suggesting that a critical examination of specific value chains and/or the introduction of specific food safety controls is needed to avoid future rejections. Examples include fishery exports from Indonesia and the Philippines, fruit and vegetable exports from Hong Kong (China), nuts and seed exports from Iran (particularly to the EU), and fruit and vegetable as well as fishery exports from Viet Nam. In summary, these analyses allow to identify whether compliance challenges are commodity-specific, export market-specific or rather systemic. Finally, the data also reveal the reasons for import rejections, thereby pointing developing country policy makers to the priorities in QI development and upgrading that will facilitate access to markets and integration into global value chains.

Import rejections imply foregone revenues for the supplier of the shipment. Over the period 2002 to 2010, the "export losses" associated with US rejections of agrifood exports across four important sub-sectors analyzed by UNIDO (i.e. fisheries, fruit and vegetables, herbs and spices, and nuts and edible seeds) are estimated to amount to US\$715 million, averaging almost US\$80 million per year. The corresponding financial losses are estimated to average US\$77 million per year for EU import rejections, US\$14 million per year for Japanese rejections, and US\$7 million a year for Australian rejections. At sub-sectoral level, "export losses" associated with non-compliance in the fishery sector are estimated to amount to almost US\$80 million per year across all four markets, while accumulated Australian, EU, US, and Japanese import rejections in the fruit and vegetables sector average about US\$35 million per year.

The broad message from these results is that the economic losses associated with import rejections are fairly small, and indeed often not very significant as a proportion of the value of trade. At the same time, particular instances of appreciable losses are observed, either where significant and persistent compliance

problems occur (for example with nuts and seed exports from Iran to the EU) and/or where compliance problems are faced by small or medium-scale exporters and sizeable consignments are rejected (for example with exports of herbs and spices from Papua New Guinea to Australia). However, the more common scenario is where even persistent compliance problems resulting in multiple rejections and even quite sizeable losses in absolute terms are “drowned out” by the sheer size of trade (this is the case, for example, with fruit and vegetable exports from Turkey to the EU).

In interpreting these estimates of “export losses”, it is, however, important to recognize that they only represent the “tip of the iceberg” in terms of the economic costs associated with the problems faced by developing countries in complying with food safety and other requirements in export markets. What is far more significant is the fact that non-compliance can hurt the reputation of the exporting country as a supplier of agrifood products or specific commodities or even curtail exports altogether, either because market access is restricted (e.g. by import bans) or because exporters are perturbed by the risks of facing a rejection. Import rejections, thus, do not only have an immediate impact in the form of interrupted trade flows and foregone export revenues but might also harm the country’s reputation as an exporter of a certain commodity or product group – which is an intangible asset of increasing importance in a world of intensifying global competition and ever higher standards.

Chapter 2 presents the findings from the implementation of a “corporate buyers’ compliance confidence survey” among companies importing fresh fruit and vegetables and fishery products from West African countries. This provides another perspective and adds another layer of analysis of the trade standards compliance challenges and capacities of developing countries. The analysis of agrifood product import rejections presented in chapter 1 provides only a partial picture. Official import rejections are the result of actions by public authorities based on judgements about compliance with official regulations. However, importing companies also have requirements with respect to food quality and safety which exporters of food also need to satisfy.

The key objective of this corporate buyers’ compliance confidence survey (“buyer survey”) is to capture the perspective and perceptions of importing/buying companies and to get insights into their sourcing decisions and their buying experience. The survey serves to identify those factors that are most important for buyers/importers when they make choices about which countries to source their supply from.

Among the most important factors are those that relate to supply chain performance, particularly issues relating to safety, quality, traceability and consistency of supply. The strength of the food safety compliance infrastructure is ranked highly among the

factors that determine not only the choice of country, but also how suppliers succeed in retaining their position within the buyers’ supply chains. Poor performance will lead to fewer buyers choosing to source from a particular country, and an increased likelihood that the buying relationship will be terminated in a given period.

A related purpose of the survey is to get buying companies’ assessment of the compliance capacity of a number of selected developing countries from which they source or had sourced food products. The survey was piloted in the ECOWAS region with South Africa included as a benchmark country. Respondents, i.e. companies in key industrialized country markets, were asked to assess various dimensions of the compliance capacity of the sample countries and to rate their confidence in the quality infrastructure and related (e.g. testing) services that exist on the ground. The rationale behind this approach is that buyers who have actually imported from a particular country will have direct experience of that country’s compliance performance and compliance infrastructure and will, thus, be in a position to make informed judgements about that country’s compliance capacity.

The results show clear differences in the capabilities of different countries within the ECOWAS region and also a substantial gap between the capabilities of even the best performers in this region compared to South Africa. The survey also asked about the degree of confidence of respondents in the local laboratory testing infrastructure. One important finding was that foreign buyers were often willing to accept testing results from local laboratories, but only if these laboratories were internationally accredited. However, irrespective of the degree of acceptance of local laboratory testing results, the vast majority of respondents additionally undertook their own product tests, and a large percentage of these tests took place in laboratories in the buyers’ home countries. Complementing these tests, buying companies also conducted their own visits to check on local food safety and quality controls, although the extent to which this happens varies between countries and across product groups.

The countries that are rated less favorably have a long way to catch up. Nevertheless, even these countries have export opportunities. The results of the survey show that the hierarchy of priorities determining the sourcing decisions of buying companies varies between different types of buyers. Certain destination markets have different types of buyers, with large supermarket chains commanding larger market shares for fresh produce and fish in Northern Europe than in Southern or Eastern Europe, for example. These supermarket chains in Northern Europe are particularly associated with stringent demands concerning the quality of the food products they purchase. Only those importing companies that source from the countries with the best and most-trusted compliance infrastructure are able to supply such more demanding consumers that require additional assurances about the quality and safety of produce. Conversely, buyers sourcing from countries whose compliance infrastructure is per-

ceived as being less reliable are much more likely to be supplying other types of customer with less strict food safety and quality requirements (e.g. food manufacturers or wholesalers).

Countries wishing to expand their export markets clearly need to improve the quality of their compliance infrastructure and strengthen the confidence of buyers in local capacities. However, it is less clear what steps need to be taken in this direction. The corporate buyers indicate a range of factors that determine country choice. The most important ones—quality, consistency of supply, traceability and food safety controls in the supply chain—may be determined by enterprise-level competences rather than the broader, public and private compliance infrastructure. In other words, meeting the requirements of buyers requires public-private collaboration and the development of business competences as much as it needs investment in the public compliance infrastructure. Another conclusion from the findings above is that export development strategies need to match country-level capabilities (or even enterprise-level capabilities) with the differing demands from different markets, products and types of buyers.

It is important to recognize, however, that these results come from the first pilot application of the buyer survey instrument which is still “work in progress”. Thus, while the survey produced informative results that serve to demonstrate the compliance capacity of countries in the ECOWAS region, most notably relative to South Africa as key regional comparator, they should be regarded as preliminary.

Chapter 3 looks at developing countries’ capacity to comply with trade standards from yet another angle. Based on countries’ self assessments elicited through a “Quality Infrastructure Survey”, it reports Trade Standards Compliance Capacity Indices (TSCCI) for a total of 49 countries in Africa and Asia. The focus of the TSCCI is on the ability of countries to perform the key functions needed for compliance with technical regulations and standards in trade more generally. Taking established approaches to asset indices as starting point and building on pilot work undertaken for the 2010 TSCR, the TSCCI provide a systematic framework in which to assess capacity across ten areas, including quality policy, technical regulation, standards-setting, metrology, testing, inspection, certification, accreditation, food safety, and WTO-related institutions.

There is ample evidence that trade standards-related infrastructural capacity and compliance services are weak in many developing countries and that such deficiencies not only undermine efforts to establish and/or expand agrifood exports but also endanger effective local consumer protection. The scale of these weaknesses, which can extend across multiple dimensions of compliance capacity, makes apparent the importance of identifying priorities for capacity-building programmes and also of assessing the impacts of previous capacity-building investments.

This suggests the need for a systemic approach to quantifying levels of trade standards compliance capacity and this is where the TSCCI come into play.

The TSCCI serve as an innovative analytical tool to assess and measure the capacity of a country’s quality infrastructure and related services with a specific focus on their relevance for the country’s participation in international trade. A critical characteristic of the TSCCI is that they aim to provide measures of *relative* capacity to perform the key functions underlying trade standards compliance. In other words, reflecting the nature of the indices, the results presented in chapter 3 give indications of the status of capacity across ten compliance functions for countries *relative to one another* rather than a fixed benchmark. The rationale behind this is that the trade competitiveness of a particular country is reflective of how its trade standards compliance capacity compares to its key competitors.

To enable comparisons across countries or groups of countries, the countries analyzed here are grouped into quintiles for each of the ten compliance functions with countries in quintile 1 having the lowest *relative* capacity and countries in quintile 5 having the highest *relative* capacity in the respective compliance area. Levels of capacity can be compared for any one country across these areas and for any one dimension across multiple countries. It is particularly instructive to examine the capacity of a developing country relative to other countries at a similar level of development and/or in the same region. The TSCCI, thus, offer unique benchmarking opportunities to developing country policy makers, donors and international organizations alike.

In so doing, the aim is to highlight specific areas of strength and weakness in a country’s trade standards compliance capacity. The results from the survey show that some countries have relatively strong capacity in all or almost all of the ten areas analyzed here. Examples include Indonesia, Malaysia, the Republic of Korea, Singapore, South Africa and Sri Lanka. By contrast, other countries are found to have low values for all or most TSCCI, reflecting weak relative capacity throughout. This is true, for instance, for the Central African Republic, the Democratic Republic of the Congo, Guinea-Bissau, Lesotho, Maldives, and Timor-Leste. Finally, there are also countries that have only some specific areas of weakness. For example, while Viet Nam is placed in the fifth quintile for most areas (reflecting relatively strong capacity), its standardization capacity is only in the second quintile, and its testing and inspection capacity in quintile 3. Similarly, Tanzania is found to have high or at least medium TSCCI values for most areas but relatively weak capacity in terms of quality policy/legislative environment. Burkina Faso, in turn, is an example of a country with a few strengths (quality policy/legislative environment, testing capacity, food safety) amid a generally weak compliance capacity.

The set of indices can help to undertake a capacity gap analysis that can also facilitate the identification of the main underlying reasons for import rejections, for example. The TSCCI aim

to facilitate informed policy choices and, in particular, can be useful in identifying where domestic quality infrastructure development efforts and/or international technical assistance might be best targeted. In turn, the impacts of domestic capacity building and/or technical assistance can be assessed and monitored using the TSCCI; the enhancement in capacity with respect to a particular function should be reflected in an increase in the value of the respective index. Overall increases in the TSCCI indices might also result in improvements in the country's trade competitiveness and should be reflected in a reduction in its import rejection rates.

While the methodology has been improved since its initial conceptualization in the TSCR 2010, it is important to emphasize that the TSCCI very much remains "works in progress". In future issues of the TSCR, this approach and analysis will be further developed and strengthened. The aim is to refine the TSCCI and collect more comprehensive and reliable data so that results can be reported for an even larger number of countries.

Chapter 4 takes account of the recent trend of intensifying commercial linkages between developing countries and examines the relevance of standards in such South-South trade in agri-food products. The impact of public regulations—and, more recently, private standards—on South–North trade has long been discussed. Meanwhile, South–South trade in food has expanded rapidly in recent decades along with South–South trade in general, and this has led to increasing attention being focused on the role that public and private standards play in shaping such trade. This chapter addresses this issue, first, through a more conceptual analysis and, second, through three case studies from Africa, Asia, and Latin America.

SPS measures are often cited (justifiably or unjustifiably) as substantial barriers to trade for exporters from developing countries. Moreover, it is frequently argued that SPS measures are more stringent for South–North trade and that they are less of an issue for South–South trade, mainly for two reasons. First, the challenge for exporters is not so much the existence of SPS measures per se, but rather the gap between practices in domestic markets and those required for export markets—the bigger the gap, the greater the cost of turning toward export markets. It might be surmised that the differences in regulations are greater between developed and developing countries than among developing countries. Second, recent years have seen a significant growth of private standards in Northern food markets which is partly driven by the increasing stringency of public regulations. These standards respond to consumer preferences with regard to both food safety and concerns about other issues such as social and environmental impacts. Such concerns may be less widespread among consumers in developing country markets. In addition, consumers in Southern markets are likely to be more price conscious than Northern consumers. This is why it is frequently claimed that the barriers posed by private

standards are not as strong in Southern countries as in some Northern countries.

These considerations suggest four reasons for the gap between domestic SPS requirements and those in export markets being smaller in South–South trade than in South–North trade. First, if the increased stringency of regulations affecting South–North trade derives from domestic considerations in developed countries and rising consumer concerns about food and health in these countries, trade between Southern economies might be less subject to such controls because consumer awareness about food safety and domestic food safety systems are, in general, less developed. Second, one of the criticisms of food safety controls in Northern markets is that they are not appropriate for agricultural conditions or production systems in developing countries. To the extent that agricultural conditions or production systems are more similar between developing countries, then import requirements in Southern countries should be more appropriate to exporters from the South. Third, the capacity of Southern countries to enforce regulations through border inspections may be more limited than for Northern countries, even when the regulations themselves may be equally strict. Fourth, processes of South–South regional integration should lead to harmonization of standards and, therefore, reduce their role as barriers to trade.

However, there are important counter-arguments and counter-evidence. First, there are increasing concerns expressed by consumers in developing countries about food safety, not least because of highly publicized food scandals and cases of evident damage to human health. More generally, food retailers catering to more affluent consumers in the rapidly growing economies of the South are following the same trend toward emphasizing food safety as one of the factors for attracting consumers. Further, as the gaps in levels of income and food safety capacities widen among developing countries, barriers to trade may increase. For example, developed country controls on levels of aflatoxins in maize and nuts have long been criticized, but, as one of the case studies shows, South Africa's regulations on maximum levels of aflatoxins are stricter than in many Northern markets. These controls greatly restrict the potential for Mozambique to export nuts to South Africa as the former country does not have the capacity to control aflatoxin levels in nuts.

Second, as for developed countries, for developing countries that import food not only human health issues but also plant and animal health issues are important. Many of these importing countries have large agriculture sectors and are themselves substantial food exporters, so they will be concerned about the risks posed by food imports to plant and animal health. They will, therefore, take similar steps as Northern countries to control these risks and safeguard animal and plant health, not only to maintain the integrity and competitiveness of their domestic industries, but also to ensure that they are able to export food products to other countries. For example, as one

of the case studies elaborates, exports of papaya and pineapples from Malaysia to China are made possible by agreements that specify acceptable treatments of fruit to eliminate disease, backed up by inspections and audits. The pre-export treatments and supervisory mechanisms are very similar to those required by some developed countries that have domestic industries to safeguard.

Third, exporters to Southern economies also face problems arising from non-compliance (on the part of the importing country) with SPS principles such as non-discrimination between imported and domestic produce and producers, transparency of rules and regulations, proportionality and equivalence (as laid out in the SPS Agreement, for example). The case studies on Africa, Asia and Latin America presented in this chapter all point to problems for exporters caused by such defiance of SPS principles.

Some of these issues could be mitigated through regional integration initiatives. Greater harmonization of standards and controls has certainly been the objective of such initiatives, but national interests often slow down the development of common standards so that progress has been limited. Studies show that there is often a substantial gap between agreements in principle to harmonize SPS standards and actual implementation.

Overall, thus, it would be wrong to attribute the fact that South–South food trade is growing more rapidly than South–North trade primarily to a more favorable standards and compliance environment. Many of the challenges that exporters from the South face when they target Northern export markets also arise when they target Southern markets. Southern economies have every reason to develop and maintain stringent controls with respect to food safety and plant and animal health. Furthermore, as incomes rise in the most rapidly expanding Southern markets, consumers will become more discriminating and demand safer food. Finally, regional integration initiatives should facilitate the growth of intra-regional trade in food, but the economies of sub-Saharan Africa in particular will not benefit fully from opportunities within the region unless they can improve not only their SPS compliance capacity but also their overall competitiveness against exporting countries in Asia and Latin America that have been investing heavily in agricultural systems and increasing both value-added and overall competitiveness.

Chapter 5 fulfills one of the functions of the TSCR series, namely to map the changing landscape of trade-related standards and to highlight compliance issues for developing countries that come with new developments. The purpose of this chapter on “Emerging Issues” is to provide key stakeholders in the field with a platform to outline their views on emerging priorities related to trade standards compliance. The idea is to collect different thoughts and opinions on one particular topic—which in

this TSCR is “the emerging landscape of private standards and related certification in the agrifood sector”.

To capture a diversity of perspectives, UNIDO invited a variety of stakeholders in the field—including lead firms in the agrifood industry, business-driven platforms, producer associations based in developing countries, certifying and labeling organizations as well as NPOs and NGOs—to lay out their views on how they think private standards and related certification will evolve in the future. All contributors were asked to present reflections on the changing landscape of private standards and what opportunities and challenges this will bring to different stakeholders, while putting a certain focus on the impacts on producers in developing countries who want to sell their goods in international markets.

There is widespread consensus in the expectation that the importance of private standards and related certification will further grow in the years to come. For one, with food production and distribution being increasingly organized within global supply chains that cut across multiple regulatory jurisdictions around the globe, private standards are used to facilitate the coordination of food chains across multiple locations, producers and companies. Moreover, consumers around the world are becoming more and more demanding with regard to product quality and safety but also the sustainability of production and this trend will continue in the coming years for various reasons. First, consumers’ interest in and knowledge about food production is increasing and their awareness for quality and safety issues rising. Second, consumers now consider an increasing number of facets of a product beyond price. Ecological considerations (such as protecting the environment and diminishing ecological footprints) have gained importance as have concerns about the social aspects of production (including the observance of labor rights and improvement of working conditions in global supply chains). Private standards and certification are expected to play an increasing role in responding to these consumer demands. Finally, armed with the power of choice, consumers will increasingly not only be trying to “do no harm” but will actually use their purchasing power to “do some good”.

At the same time, as many of the contributors to this chapter note, there has been a proliferation of private standards and certification schemes. This proliferation has also led to duplication and caused a certain amount of confusion among consumers, producers and retailers over what each standard stands for. Many stakeholders, therefore, maintain that there is a need for a harmonization or at least streamlining and benchmarking process across different schemes and their underlying requirements and conformity assessment procedures (examples of benchmarking initiatives are included in Chapter 5). Complying with and proving compliance with a multitude of schemes is costly for suppliers due to expenditures relating to conformity assessment, auditing, and certification procedures. While there are some initiatives in this direction that have been

launched, these costs could be brought down through further convergence, harmonization or streamlining between different systems. Moreover, in a world of multiple standards and certification schemes, credibility is crucial. This growing need for some assurance about the credibility of standards, labels and certification schemes leads to stakeholders becoming more demanding of how certification programmes demonstrate independence, impartiality and consistency with international guidelines. Third-party standards and external evaluations of certification programmes by independent organizations are, therefore, becoming ever more important.

With the number of schemes increasing, the need to prove impact is also becoming more pressing. The ability to demonstrate social, ecological and economic impact is, in fact, vital to ensuring continued stakeholder engagement and support for certification in the future. Responsible companies and certification scheme owners will not only need to measure the positive impacts they are creating but also communicate this information in a clear and transparent way to the public. This will require the development and strengthening of monitoring and evaluation mechanisms that allow for comprehensive collection and analysis of data on certification and its impact.

There is, however, the need to balance the requirement of best practices and cost and complexity implications. On the one hand, standards must respond to new knowledge in order to ensure that they integrate global best practices for the continued quality and robustness of certification processes and performance requirements. On the other hand, potential cost and complexity implications need to be borne in mind as this is an area of constant concern for stakeholders.

Another emerging trend highlighted by the contributors to this chapter is the increasing importance of private standards and growing demand for certified products in Southern countries, driven among other factors, by population growth and expanding middle classes. Demand grows, in particular, for (certified) safe food but there is also a growing interest by companies and retailers in emerging economies in sustainably produced food. This will, in principle, provide incentives for certification of a more diverse product range. However, the further uptake of private standards in emerging markets will depend on both their relevance and accessibility to the key players in these markets.

For producers in developing countries, the use of private standards can bring benefits, as is pointed out unequivocally by the contributors to this chapter. In fact, various studies have demonstrated that farmers complying with the requirements of private standards and obtaining related certification may expect to reap benefits such as improvements in productivity, yield, income and food security. Private standards can also help them, and smallholders in particular, to develop a better understanding of the notions of food safety, food quality, and traceability. In some cases, producers are rewarded with a price premium

and more stable prices as well as longer-term contracts and business relationships, reducing risks and volatility of income. In addition, the future will bring new business opportunities as the market for certified products is expanding beyond the more traditional “early adopters” markets in advanced economies into new markets in the global South. This will likely also translate into demand for a more diverse range of certified products for which developing countries often have excellent endowments and growing conditions. These results and prospects are encouraging but studies also show some variation across impact indicators, certification schemes and regions.

Yet, the increasing importance of private standards will also bring challenges to exporters in developing countries. First, there is often limited awareness, knowledge and understanding of private standards, certification schemes and their requirements among producers, particularly smallholders. And even where knowledge exists, small size and lack of access to expertise as well as technical and financial resources are among the key challenges hampering implementation. Most importantly, implementing private standards and obtaining certification is often seen as costly and cumbersome, especially by small producers. The multiplication and proliferation of similar but non-equivalent schemes adds to the burden of producers that need to prepare for several audits and reporting schemes, each often entailing different administrative requirements. These costs eat into producers’ profits as in most cases costs are not shared between buyers and suppliers nor are they compensated for (in terms of higher prices, for example).

Meanwhile, lead firms and especially retailers that adopt private standards and that sell an ever growing range of certified products are expected to benefit from increased consumer loyalty and trust, particularly the early movers. Firms that expand their use of sustainability standards will appear as “responsible companies” towards authorities, consumers and civil society and improve their reputation. Shifting to certified products can support companies in building brands and generating sales growth. Moreover, transforming their supply chains to be more sustainable will help companies to maintain privileged access to resources and to secure their future supply within a context of increased competition from emerging economies. However, the contributors to this chapter highlight also challenges for lead firms. They expect that the biggest struggle of lead firms in future years will be the availability of certified products. In the context of growing demand, it will become increasingly difficult for them to identify enough capable producers and secure sufficient and reliable supply. At the same time, companies run the risk of their key suppliers moving to less demanding buyers if compliance demands are not met with a commitment to a process of cooperation. With the proliferation of private standards, labels and certification schemes, ensuring credibility and demonstrating impact will have to receive increased attention from lead firms and will make them more dependent on sufficient auditing competence being available.

In the context of increased interest in sustainability, the role of standard-setting and certification/labeling organizations is expected to grow in the future—at least as long as they can deliver against their promises and perceived benefits. The more private standards and certification schemes exist, the more will stakeholders insist upon independent third-party verification. Certification and labeling organizations as well as NGOs are key in setting the gold standard and in ensuring that fairness and sustainability concepts, as well as the process to achieve them, are well defined and not diluted by vested interests. At the same time, rolling out standards for an ever wider variety of producer setups is not always a straightforward task. Certification organizations, thus, will have to strengthen their efforts to review rules and procedures and to reform assessment and certification processes in order to balance the requirement of best practices and holding down costs and complexity. Identification of opportunities for efficiency gains and cost reduction will become a constant imperative for scheme owners to remain viable and to provide incentives for the acceptance and uptake of their standards. Moreover, they will have to enhance their efforts to provide expert advice, guidance, training and assistance to producers to enable them to reach certification, particularly in developing countries.

NGOs are seen to play a range of roles in this changing landscape of private standards and related certification. They can lead effective campaigns and advocacy founded on good quality research to promote understanding of social and environmental issues. They can also facilitate impact assessment and communicate case studies which give credit where it is due and have a demonstration effect. Some of the contributors to this chapter of the TSCR anticipate that, thanks to their independence, the role of NGOs will expand further both in the development of standards and in checking claims about the impacts attributed to the implementation of other, e.g. retailer standards.

Companies will increasingly seek collaboration with NGOs to ensure that standards are credible and effective in driving positive economic, social and environmental change.

Finally, the stakeholders contributing to this chapter were also asked to present their views on the part that they think international development agencies will play in this scenario of emerging private standards. Many of them emphasized the potential role of international organizations as convening partners, in particular to initiate public-private projects and partnerships that ensure an equitable distribution of the benefits from private sustainability or food safety standards among international buyers and suppliers in developing countries. Development agencies are also seen to be of increasing importance to raise awareness about quality issues and private standards and to provide technical assistance and training, particularly to smallholders, to contribute to the strengthening of generic local capacities which facilitate compliance. This can include support in the area of information management and assistance on traceability and recording requirements. In addition, international agencies are expected to play an increasing role in driving and administering, as independent brokers, benchmarking processes across different certification schemes.

Overall, there is agreement that the transition to more responsible and sustainable production and consumption through private standards and certification schemes requires the engagement of many stakeholders, including all supply chain actors. The role of consumers as ultimate “watch dogs” will also grow as private standards and labels offer them a powerful way to make a positive choice in favor of certified and more responsible products and to instigate change through their everyday shopping. Promoting sustainability through standards is, thus, a call for multi-stakeholder efforts.



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