

Achieving win-win outcomes for trade, climate change and SPS

BIO-BRIDGE INITIATIVE

Uganda (remotely from Geneva)

9 November 2017

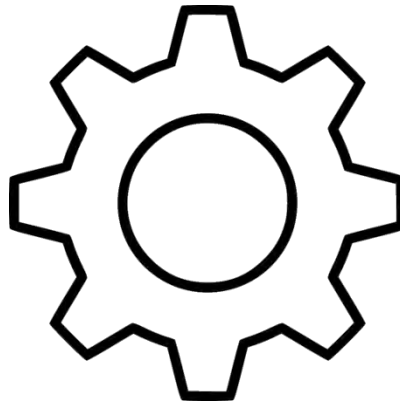
Giles Chappell, STDF Secretariat

STDF's Global Partnership

Goal: Increased capacity of developing countries to implement international SPS standards, guidelines and recommendations, and ability to gain and maintain market access

Coordination mechanism and knowledge hub to

- identify good practice
- strengthen coherence
- avoid duplication
- enhance results



Funding for project development and implementation, focus on:

- innovative, collaborative projects that develop SPS capacity to gain and maintain market access



STDF's work on climate change and SPS measures

- **Seminars:**

- Climate change and agricultural trade (in collaboration with World Bank)
- International Trade and Invasive Alien Species (IAS)

- **Publications:**

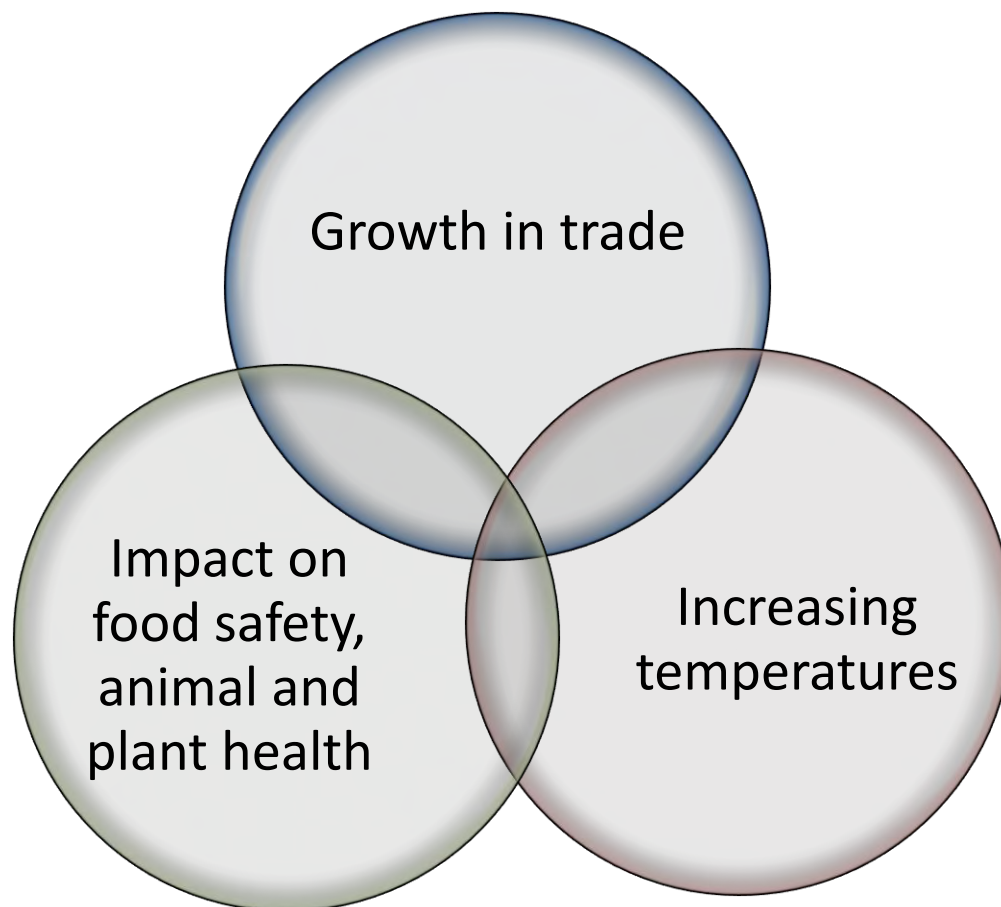
- Climate Change and Trade: The Link to Sanitary and Phytosanitary Standards*
- Climate change, SPS risks and responses**
- International Trade and IAS
 - reviews and analyses key concepts and principles relevant to IAS and international trade in the context of the CBD and the SPS Agreement, as well as in relation to IPPC and OIE***

* www.standardsfacility.org/sites/default/files/STDF_Climate_Change_EN_0.pdf

** www.standardsfacility.org/sites/default/files/STDF_Briefing_No2_EN_web_0.pdf

*** http://www.standardsfacility.org/sites/default/files/STDF_IAS_EN_0.pdf

Growing nexus between climate change, SPS issues and trade



Reflected in increased links at the multilateral level

WTO

SPS Agreement

- Recognizes Members' right to protect human, animal, plant life or health
- Obligation to avoid unnecessary barriers to trade

Codex (FAO, WHO) – IPPC – OIE

Food safety, animal and plant health

- Standards setting/implementation within the multilateral trade framework
- In the context of ever-growing demand, important to secure the planet's health, food security and safety

Paris Climate Agreement 2016

Impacts across the sectors

- 164 of 195 parties to Paris Agreement also WTO members
- Approx. 45% of all climate contributions include a direct reference to trade or trade measures
- Agreement recognises particular vulnerabilities of food production systems in the context of climate change

Climate change impacts on plant health

- **Increased pest and disease pressure through earlier springs, altered growing seasons, etc**
- **Increased pest pressure => more use of pesticides**
 - Reduction of crops' tolerance and resistance to pests and diseases
 - Reduction of pollinators (loss of biodiversity, etc)
 - Food safety risks (chemical residues in food)
- **Increased costs of production => erosion of farmer's profit**
 - cost of *Tuta absoluta*'s management in tomatoes is estimated to go up by USD 500 million/yr if *Tuta* invades the rest of the world
 - spread of the *fall army worm* in Nigeria (Jan 2016), Zambia (late 2016), Zimbabwe (Dec 2016), South Africa (Feb 2017), Kenya (March 2017), Ethiopia (2017), Ghana (May 2017 – declares state of emergency)

Climate change impacts on animal health

- **Increased disease pressure through**
 - Higher temperatures
 - Less water
 - Altered conditions in oceans (higher temperatures and acidification)



More use of vet drugs=> food safety risks, environmental damage resistance, etc.



Climate change impacts on food safety

- **Increased food safety challenges through**
 - Higher risks of contamination by chemicals due to increased use of pesticides and veterinary drugs
 - Higher temperatures => more favorable to proliferation of foodborne disease bacteria such as Salmonella
 - Greater occurrence of mycotoxins due to change in temperature/moisture combination
 - Increased risk of zoonosis
 - Warmer sea temperatures



Climate Change likely to have greatest impact on LDCs

- LDCs are especially vulnerable to climate change but have done the least to cause the problem
 - Adaptation critically important, but they often lack the requisite capacity to implement climate change adaptation projects
- Likewise, food and agricultural exports often trigger SPS compliance challenges for LDCs (such as rejections of shipments), which can lead to damaged reputation, increased transaction costs, export bans, etc.
 - Adequate capacity to control SPS risks is crucial for LDCs to gain and maintain access to foreign markets

What needs to be done?

- Raising awareness on linkages between climate change and SPS
- Build SPS capacity in developing countries (early warning systems, quarantine, surveillance, inspection, diagnosis, etc.)
- Developing climate change resilience (integrated pest and disease management, sustainable cropping systems)
- Addressing research challenges (resistant breeds, bio pesticides, taxonomy, epidemiology, etc.)
- Enhancing risk assessment methodologies globally
- Better collaboration across SPS and environmental agencies

Prioritizing SPS Investments for Market Access (P-IMA)

- Many diverse SPS investment needs in countries, some of which related to climate change/environment
- Resource constraints (in government budgets, donors)
- Decision-making processes often ad hoc and lack transparency



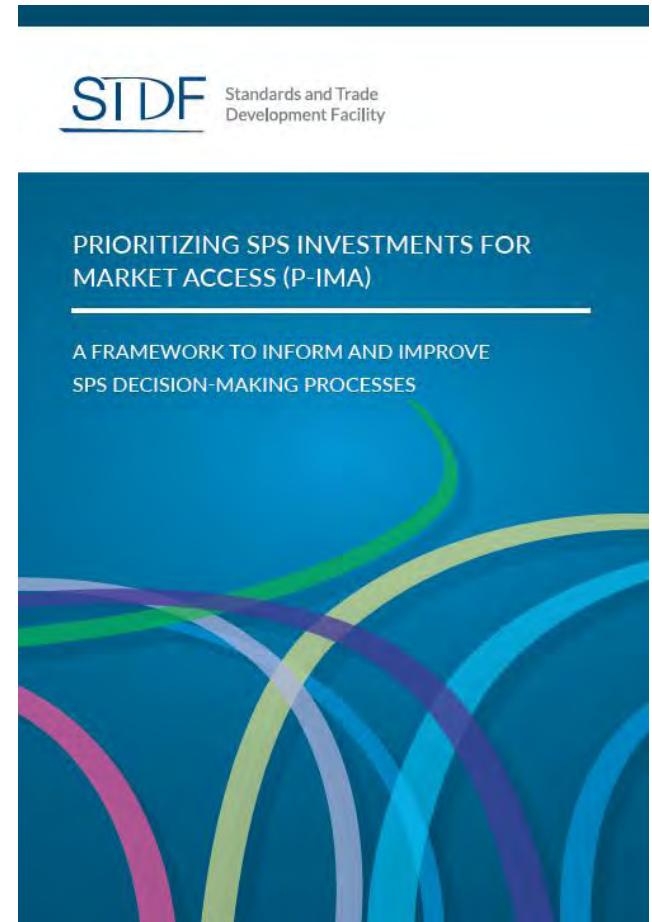
→ P-IMA is a tool to inform SPS decision makers and help prioritize SPS capacity building options for market access

Experience and benefits of P-IMA

- **Flexibility:** can prioritize several different SPS investment options, using diverse decision criteria (measured in different ways)
- **Pragmatism:** uses best data and information available
- **Participation:** diverse public and private stakeholders involved
- **Transparency:** all data/information used and rankings can be scrutinized and challenged

How does P-IMA work?

- Small group (SPS and trade and environment expertise, economist) to lead information collection / analysis work
- Stakeholders consulted on:
 - Investment **options** to be considered (choice set)
 - Decision **criteria** and **weights**
- Collection and assembly of data and information
- Prioritization using **multi criteria decision analysis**



P-IMA in action – COMESA Project (PG/606)

- Mainstreaming SPS capacity building investments into climate change strategies
- Opportunities to leverage additional resources for SPS capacity building
- Project will encourage interdisciplinary approach, promoting dialogue and collaboration across:
 - SPS, trade, agriculture, planning, finance authorities, etc
 - parts of government responsible for environmental protection/climate change
 - development partners/donors
- Interested countries should contact the STDF Secretariat:
STDFSecretariat@wto.org

P-IMA in action – Madagascar (PPG/575)

- SPS investments prioritized on basis of different criteria (including environmental impacts)
- Expected to generate information to support SPS capacity building in key value chains, help to build awareness among the public and private sector about the returns on SPS capacity building, and support fund-raising
- Opportunity to link SPS investments into planning/financial frameworks for agriculture, trade, climate change/environment

STDF Funding Mechanism

- **Project development (PPGs):** grants up to US\$ 50,000
 - application of capacity evaluation / prioritization tools, feasibility studies, project formulation (helps countries articulate their needs)
 - synergies with other initiatives and mobilization of donor funds
- **Project implementation:** funding of up to US\$ 1M for projects that
 - identify, develop and/or disseminate good practice
 - are replicable
 - include regional/global approaches
 - are innovative, collaborative, inter-disciplinary
- Since 2004, STDF has financed 86 PPGs (66 in LDCs) and 80 projects (53 in LDCs)

Solution: more funding for collaborative and integrated projects



Join STDF's network

- Share SPS results with the Working Group
- Access SPS information and tools on the website
- Sign up for the latest STDF news

Email: STDFSecretariat@wto.org

Web: www.standardsfacility.org

