





REGIONAL UPGRADES OF SANITARY AND PHYTOSANITARY MEASURES

FOR TRADE PROJECT

/LOAN 3313-MON/

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TASHKENT

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Background Information



PROJECT FINANCING LOAN

Asian Development Fund (ADF) LOAN\$15.00 million USDGovernment of MONGOLIA1.25 million/in the form of tax exemption on works, goods, and consultingservices, excluding recurrent costs/

EXECUTING AGENCY

The Office of the Deputy Prime Minister

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IMPLEMENTING AGENCIES

General Agency for Specialized Inspection (GASI), the border Unified Inspection Agency

General Authority for Veterinary Service (GAVS)

IMPLEMENTATION PERIOD

2016 - 2021

PROJECT OUTCOME:

Will be improved the SPS measures in Mongolia in compliance with the World Trade Organization (WTO) Agreement on the Application of SPS measures to increase agriculture and food trade and diversify its economy.

PROJECT OUTPUT:

- Laboratories and BCP inspection and quarantine facilities upgraded,
- SPS inspection management system (IMS) established,
- SPS control and inspections aligned with international standards.

LOCATION:

Investments focused on three aimags (Darkhan Uul, Dornogovi and Selenge) served by CAREC corridor 4b that link BCPs critical for the movement of goods subject to SPS measures. The GASI laboratories are located in Darkhan, Altanbulag and Zamyn-Uud. Veterinary diagnostic laboratories are located in Sainshand and Selenge. In addition, SPS inspection facilities at the Altanbulag and Zamyn Uud BCPs will be upgraded.

COMPONENT 1: GASI AND GAVS LABORATORIES AND BCP INSPECTION AND QUARANTINE FACILITIES UPGRADED.

- a. Laboratories in three aimags will be upgraded to decentralize testing and diagnosis capacities and support early detection of animal and plant diseases. Investments in laboratories will include infrastructure, new equipment and quality management.
- *b.* Upgraded BCP facilities for inspection of plants, animals and/or food and animal product inspection and quarantine.

COMPONENT 2: SPS INSPECTION MANAGEMENT SYSTEM (IMS) ESTABLISHED.

- a. The SPS IMS will avoid duplication of documents involved in the application for and approval of permissions to import and export agri-food products.
- b. The IMS will also integrate the full development of the risk-based import control system in order to automate risk assessment and management processes.

COMPONENT 3: SPS CONTROL AND INSPECTIONS ALIGNED WITH INTERNATIONAL STANDARDS.

- a. Testing and sampling methodologies will be aligned with WTO compliant international standards to reduce inspection- and testing-related delays and gain international acceptance.
- b. Standard Operating Procedures (SOPs) for the laboratories and control system requirements (including food import and export inspection and certification) will be developed in line with international standards to make fullest use of the upgraded facilities.
- c. Staff operating the equipment in the laboratories will be trained to use the new equipment in the prescribed manner.

COMPONENT 1: Developed detailed engineering design of border inspection and veterinary diagnostic laboratories.





COMPONENT 1: Developed detailed engineering design of animal and plant border quarantine facility.

INSPECTI ACILITY

COMPONENT 2:

- KSTA 9500 is currently assisting GASI (through SPS NWG) in amending the risk assessment and risk categorization regulations (GR #233 & DPM Order # 60) aligning with the principles of the SPS Agreement and international standards under the OIE, IPPC, and Codex Alimentarius Commission.
- The amendment would allow GASI to expand the current product-based import risk assessment system and develop further and integrate into the IMS.
- GASI and Customs General Agency has signed MOU to integrate GASI's IMS with Customs CAIS.



SCHEME OF OPERATIONS INVOLVED IN LIVE ANIMAL IMPORTS USING IMS

COMPONENT 3:

- Developed the TERMS OF REFERENCE for international consulting firm to implement the package on harmonizing methodology and control system standards, preparation of standard operating procedures and training. The selection of the consulting firm is under progress.
- Developed LIST AND TECHNICAL SPECIFICATION of laboratory instrumentation and inspection tools and approved by ADB to launch the bidding process. The selection of the supply firm is under progress.

CHALLENGES DURING PROJECT IMPLEMENTATION

- Project started without feasibility study
- Fragmented SPS infrastructure and chain of command
- Significant gaps in SPS regulatory framework
- A general lack of SPS nationwide awareness
- Some SPS aspects not very well developed
 - SPS traceability
 - SPS risk assessment
 - SPS R & D
 - SPS data

THANK YOU



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Please visit the site for additional information: <u>https://www.adb.org/projects/46315-001/main</u>.