



Modernizing Sanitary and Phytosanitary Measures to Facilitate Trade in CAREC

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Pivotal role of trade & agriculture in CAREC

GDP outlook*



5.0% (2018)

forecast
4.8% (2019)
4.8% (2020)



Trade snapshot*



12.8% trade growth



<1% global trade share



7.3% services trade/GDP



0.8 global divergence

- Despite rebounding in 2018, growth forecasts to slow down in Central Asia
- Growth softens as trade tensions persist, lower oil prices weigh on economies
- Agriculture sector expanding, but requires sustainability, climate proofing, and compliance with quality standards, certification requirement

*Data excludes PRC. For trade data as of 2017 or latest available year

Agriculture — an important sector with huge export and trade potential

Country	Value-added as % of GDP	as % of total employment
AFG	21.0	62.2
AZE	5.6	37.4
PRC	7.9	17.5
GEO	7.0	40.9
KAZ	4.4	18.0
KGZ	12.3	26.7
MON	10.4	30.4
PAK	22.9	42.0
TAJ	20.4	51.6
TKM	9.3	8.2
UZB	17.3	21.9
Average	12.6	32.4

Source: ADB (Forthcoming). *Modernizing SPS Measures in CAREC Countries*.

CAREC 2030 Strategy

Sanitary and Phytosanitary (SPS) Priorities

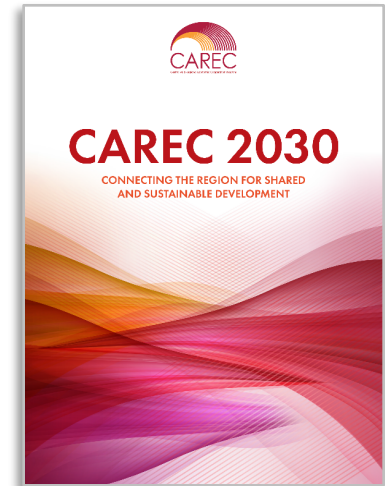


Trade, Tourism, &
Economic
Corridors Cluster



Agriculture &
Water Cluster

- Special task to help member countries in implementing **WTO SPS agreement**
- **Alignment of SPS measures with international standards**
- Build capacity to improve product quality and diversity and shipment linkages
- **Support for transboundary animal disease control**
- development of a **CAREC food safety network** and a common quality control system



CAREC Integrated Trade Agenda (CITA) 2030



CAREC countries are more integrated with the global economy

TRADE EXPANSION FROM INCREASED MARKET ACCESS

FREER TRADE

LOWER TRADE COSTS

GREATER DIVERSIFICATION

ENHANCED POLICY AND REGULATORY ENVIRONMENT AND ADEQUATE FINANCING

LINKAGES WITH GLOBAL AND REGIONAL VALUE CHAINS

STRONGER INSTITUTIONS FOR TRADE

COORDINATED SECTORAL POLICIES AND PRIORITIES

EVIDENCE-BASED POLICY MAKING AND NEGOTIATIONS

Common Agenda for modernization of SPS measures for Trade (CAST)

- concerted effort to modernize SPS systems and strengthen cooperation in SPS measures
- complement customs-related trade facilitation measures
- endorsed in 2015— part of the CAREC Integrated Trade Agenda (CITA) 2030



Challenges in modernizing SPS for trade

Plant Health

- Poor understanding of both importing country phytosanitary requirements and pest risks on import goods
- Lack of accurate pest distribution data as basis for regulated pest lists
- Border crossing points too remote from central laboratories for timely and secure sampling
- Electronic phytosanitary certification to be incorporated into single window, etc.

Animal Health

- Lack of animal identification without which zoning of transboundary animal diseases (TADs) cannot be achieved
- Division of responsibilities among different agencies
- Inadequate secondary legislation

Food Safety

- Legislative base inadequate to make HACCP compulsory
- Moving from GOST/SanPin to risk-based indicators of food safety and correspondence
- Achieving balance between food control and trade facilitation



Modernizing Sanitary and Phytosanitary Measures to Facilitate Trade (TA 9500)

- Establish SPS National Working Groups (NWGs) and Regional WG
- Align regulation & procedures with the principles of the WTO SPS Agreement and international standards (OIE, IPPC, and Codex Alimentarius Commission)
- Develop border management strategy for piloting at selected common borders

Progress & next steps

- 11 NWGs established & at various stages of developing national SPS strategies
- national SPS awareness workshops & regional policy dialogues
- coordination with development partners
- expert advise in reforms of legislations/regulations
- initial scoping work
- inaugural meeting of SPS regional working group in June 2019 in Uzbekistan
- forthcoming SPS publication





Thank you.

