



CAREC Sanitary and Phytosanitary Measures Week
Dialogue on Strengthening Cooperation in SPS Measures in the Post-COVID Era
Day 1, 19 April 2021 (virtual)

HIGHLIGHTS OF DISCUSSION

1. As CAREC countries cope with the COVID-19 pandemic, keeping trade open while managing risks is crucial for sustainable recovery. The Dialogue on Strengthening Cooperation in Sanitary and Phytosanitary (SPS) Measures in the Post-COVID Era (Dialogue) kickstarted a series of dialogues for the CAREC SPS Measures Week on 19 April 2021. The Dialogue's objectives were to (a) discuss the emerging issues in agriculture trade arising from the COVID-19 pandemic, and (b) deliberate on how global and regional cooperation initiatives can help countries respond better and enhance market access and facilitate safe trade, develop agriculture value chains, and improve their resilience to transboundary pests and diseases.

2. The Dialogue was co-chaired by Ms. Teresa Kho, Deputy Director General, East Asia Department, ADB and Mr. Elkhan Mikayilov, Head of Administration, Food Safety Agency of Azerbaijan. Ms. Kho emphasized on continuing momentum in SPS modernization, exploring opportunity to link SPS initiatives with green and resilient recovery initiatives, sharing of knowledge and information and use of technology. A strategic and coordinated approach will help ensure safer and sustainable trade in CAREC. Mr. Mikayilov affirmed that the COVID-19 pandemic required continuing the momentum for SPS coordination and the need to balance trade facilitation with control and prevention of pests and disease.

3. A CAREC video showed some SPS modernization initiatives in CAREC countries and progress in achieving the Common Agenda for Modernization of SPS Measures for Trade. Ms. Dorothea Lazaro, Regional Cooperation Specialist, Public Management, Financial Sector, and Regional Cooperation Division, East Asia Department, ADB noted that outcomes from the series of policy dialogues will during the SPS week will be incorporated into the CAREC SPS Work Plan 2021-2023 for consideration by the SPS Regional Working Group during its 2nd Meeting on 27 April 2021.

COVID-19 has highlighted the vulnerability of food supply chains and the need to strengthen SPS capacity as a global public good. Several emergent international trends also underscore the importance of SPS capacity development.

4. Mr. Melvin Spreij, Head of Standards and Trade Development Facility, World Trade Organization cited (a) growth in agri-food global value chains, (b) regional integration and South-South trade, (c) small and medium-sized enterprises/gender/youth, (d) reducing trade costs, (e) digitalization and new technologies, (f) climate change/environment as emerging trends. Improved SPS capacity is necessary for building long-term resilience against outbreaks of pest and disease. In particular, (a) use international standards and ensure that SPS measures are "fit for purpose", (b) reduce SPS-related trade costs and enhance cooperation between SPS and customs agencies,

(c) identify automation needs within SPS systems and build IT capacity, (d) improve risk management/prioritization and link SPS systems to customs and other agencies, and (e) enhance coordination across SPS agencies and with the private sector.

5. COVID-19 has accentuated the need for (1) more investments in SPS, which requires high-level decision making; (2) diversified markets also in agricultural inputs; (3) digitalization, e.g., e-certification, which is important for reducing costs and time, and enhancing country competitiveness.

6. To help countries prioritize their actions in the face of limited resources, the STDF developed P-IMA (Prioritizing SPS Investments for Market Access) as a framework in which countries set criteria with weights and rank the options according to economic benefits. These help decision-making, as well as in determining finance options (<https://www.standardsfacility.org/prioritizing-sps-investments-market-access-p-ima>).

Countries have been modernizing their SPS systems. They have doubled these efforts in the face of the COVID-19 pandemic, notably through digitalization.

7. Mr. Mikayilov relayed that Azerbaijan had reformed its SPS system in 2017 by establishing the Food Safety Agency as the central authority in charge of SPS matters. Procedures have been digitalized and new methods are applied.

8. To address the pandemic in Georgia, Mr. Samson Uridia, Head of Department for International Relations, Revenue Service, Ministry of Finance reported that an inter-agency council was created, which also became a platform for communication and collaboration of border management agencies. Capacity was enhanced by digitalizing more business processes, e.g., issuance and receipt of SPS certificates, while SPS agencies exchanged information through the e-platform. There was an unprecedented high level of cooperation with Azerbaijan border agencies as well, which allowed interaction and information exchange.

9. In the Kyrgyz Republic, Mr. Bakyt Shabdanov, Head of Technical Regulation Department, Ministry of Economy and Finance conveyed that SPS measures are being enhanced and policy coordinated with the Eurasian Economic Union (EAEU), where barriers will be eliminated to achieve integration by 2025. Under the newly adopted Constitution of the Kyrgyz Republic, government structure including SPS management is expected to change. Areas of improvement are mutual recognition of SPS certificates, coordination between authorized bodies, alignment of SPS documents, and a common method of laboratory testing.

10. Mr. Muhammad Sohail Shahzad, Director, Technical Quarantine, Department of Plant Protection, Ministry of National Food Security and Research related that Pakistan accepted electronic copies of SPS certificates and inspection results of trading partners, facilitated clearance for priority goods, and eliminated restrictions even on regulated goods. Pakistan's National One-Window will be launched in June 2021.

11. Uzbekistan utilized digitalization and new technology to complement practical measures in mitigating the impact of COVID-19 according to Mr. Avaz Makhmudov, Deputy Head of Department to Improve Customs-Tariff Regulation, Ministry of Investments and Foreign Trade. This improved connectivity, while risk-based categorization of goods was also introduced.

Cooperation at all levels is critical, as pests and diseases are transnational.

12. Mr. Mikayilov remarked that CAREC provides a platform for coordination and facilitation of safe trade. There is a need for simplified SPS procedures, e-certification and mutual recognition of certificates.

13. In Georgia, Mr. Uridia described that the interagency council enables the sharing of information and collaboration among agencies, which is important both among border agencies and between neighboring border agencies. For surveillance purposes, EU Trade Control and Expert System (TRACES) is a good model in providing information on incoming goods. E-certification is the way forward, as there is no better alternative to electronic procedures. Georgia has started to accept e-copies of the certificate of origin.

14. Mr. Shahzad of Pakistan affirmed that COVID-19 has highlighted the need for (a) closer work with stakeholders and international organizations to identify weaknesses in agri-food and critical services, opportunities for public-private networks to make investments; (b) more investments to strengthen resilience of food system, e.g. data systems for real-time data to be available to decision makers; (c) increased countries' capacity to manage emergent SPS risks; (d) strengthened government communication to improve consumer trust in the reliability of agri-food systems, (e) transparency in trade related policy and reduced barriers to keep supply chains flowing.

15. Mr. Spreij stressed that collaboration and transparency are important at all levels – national government, between public and private sector, regionally, globally. The process is a gradual one of building capacity and a closer relationship first between SPS agencies and Customs within countries, and then between countries' SPS agencies.

Development partners fully support the modernization of SPS systems.

16. In response to COVID-19, the World Organization for Animal Health (OIE), represented by Mr. Mereke Taitubayev, Head of Sub Regional Office for Central Asia, is analyzing the virus to enhance countries' capacities, building animal health standards, and coordinating with external partners. Following the One Health approach, digitalization is encouraged. Mr. Sabit Narbayev, C5+1 Initiative Lead of the United States Agency for International Development (USAID)'s Competitiveness, Trade and Jobs Activity in Central Asia, represented by USAID-CTJ, mentioned that the ongoing Fergana Valley pilot project supports countries comply with the WTO SPS Agreement, build pest management capacity, i.e., pest risk assessment, surveillance, and establish pest-free areas. The United States Department of Commerce' Commercial Law Development Program, represented by Mr. William Kent, Attorney Advisor, Office of the General Counsel, is supporting Afghanistan in building SPS capacity, by meeting its WTO SPS Agreement obligations and enhancing SPS measures. Mr. Ghulam Samad, Senior Research Specialist, Research Division from CAREC Institute, discussed some of the CI's planned research work including e-certification readiness, free trade agreements, agriculture cooperation in high-value crops, technology and regulations, and safe trade in animal and plant products.



CAREC Sanitary and Phytosanitary Measures Week
Fergana Valley Stakeholders' Conference on Enhancing Trade
Opportunities through Phytosanitary Measures
Day 2, 20 April 2021 (virtual)

HIGHLIGHTS OF DISCUSSION

1. Strengthening phytosanitary measures promotes horticulture value chain development and cross-border trade. The Fergana Valley Stakeholders' Conference on Enhancing Trade Opportunities through Phytosanitary Measures (Conference) was held virtually on 20 April 2021. The Conference objectives were to (a) discuss initiatives to support horticulture value chain development and cross-border trade in the Fergana Valley, and (b) deliberate on proposed activities to enhance phytosanitary measures for trade, including pest surveillance, establishment of pest-free areas, pest listing and the adoption of the ePhyto solution.

2. The Conference was co-chaired by Mr. Nadir Kasimov, First Deputy Head, State Plant Quarantine Inspection (SPQI) under the Cabinet of Ministers, Uzbekistan, Mr. Ryder Rogers, Director, Economic Development Office, United States Agency for International Development (USAID) for Central Asia, and Mr. Ronald Antonio Butiong, Chief, Regional Cooperation and Integration Thematic Group, Sustainable Development and Climate Change Department (SDTC-RCI) of Asian Development Bank. Mr. Kasimov cited the recent accession of Uzbekistan to the International Plant Protection Convention (IPPC), and assistance from ADB and USAID to improve phytosanitary capacity along the Fergana Valley. Mr. Rogers added that through the C5+1 platform, USAID supports cooperation to enhance the horticulture sector's competitiveness. Mr. Butiong underscored the need to respond to increasingly complex challenges, such as climate change and the heightened risks from cross-border spread of pests and diseases and the need to strengthen regional cooperation.

3. Mr. Yuebin Zhang, Principal Regional Cooperation Specialist, SDTC-RCI, ADB and Mr. Ringolds Arnitis, Phytosanitary Consultant, USAID Competitiveness, Trade and Jobs Activity in Central Asia served as moderators of the first and second sessions, respectively. The highlights of the Conference are as follows:

The Fergana Valley project is improving phytosanitary measures and is a model that may be replicated in other countries.

4. Mr. Arnitis described the Fergana Valley project in Uzbekistan supported by USAID CTJ. The pilot is helping develop diagnostic and pest surveillance capacity through field inspection in the Kushtepa district, sampling of two pests (fire blight and cherry tree fly), laboratory testing and analyses according to IPPC's International Standards for Phytosanitary Measures (ISPM) 27. Risk-based methodology is followed. The samples confirm that fire blight is currently absent but a 2-year survey is needed to confirm pest-free status; tests for cherry tree fly are ongoing. The survey will be extended to other areas

in the Fergana Valley, and provides a model for other countries. Training on establishment of pest-free areas is being provided.

The systematic collection and exchange of data is critical for the efficient management of pest risks in production and trade, and is the basis for any meaningful cooperation. Reliable data on pests facilitates procedures and the establishment of pest-free areas.

5. Pest lists and surveillance standards are provided in ISPM's 6, 8, and 19. Mr. Andrei Orlinski, Scientific Officer, European and Mediterranean Plant Protection Organization (EPPO), stated that the EPPO recently developed a scheme of analysis of biological agents for the purpose of biological control, and recommends this as a regional measure. The establishment of pest-free areas is equally important. There is scope for CAREC countries to establish a commodity-specific pest list based on risk categorization (ISPM 32).

6. Phytosanitary certificates contain the data on products to be traded. Mr. Craig Fedchock, Senior Advisor and Manager, ePhyto Solutions of the IPPC Secretariat, underscored that the ePhyto system allows countries to electronically exchange phytosanitary certificates through a central Hub, requires only minimal capacity to produce electronic certificates, and no joining fees. Operational since 2019, 51 countries now exchange around 80,000 certificates per month through the Hub. He commended Uzbekistan for connecting with its own national system, noting that the effort took only 3 months.

7. In administering the People's Republic of China's phytosanitary requirements for imports, communications on risks was underscored by Mr. Xiaodong Yu, Deputy Director, Department of Sanitary and Phytosanitary Measures, General Administration of Customs (GACC). GACC evaluates the documents submitted by the exporting country and requests additional technical information if necessary. Communication on the treatment of risk takes place between experts in both countries. Techniques on pest risk analysis or other measures may also be exchanged.

8. Close country relationships are essential for getting timely information and market access. Mr. Sultan Sultanov, Head of International Relations Department of the State Plant Quarantine Inspectorate of Uzbekistan, relayed that Uzbekistan is closely cooperating with GACC, has received permits for 16 products, and will conclude more protocols on certain fruit exports. Mr. Arntis added that the Fergana Valley project provides the opportunity for regular survey and analysis of data, which are vital for exports. On the basis of this data, the importing country can assess the risk, request additional information, and stipulate these in protocols.

CAREC countries are continuously improving their phytosanitary measures and cooperate with each other to complement these efforts.

9. In Kazakhstan, Mr Baurzhan Kappasov, Head of the Phytosanitary Safety Division, Department of Veterinary, Phytosanitary and Food Safety, Ministry of Agriculture revealed that plant quarantine agencies were recently combined under the Ministry of Agriculture, strengthening surveillance and control while ensuring quality. Sanitary and Phytosanitary (SPS) legislation is aligned with international standards, and risk management was improved. Plant quarantine services are fully modernized. Protocols with the PRC were

signed, and domestic agricultural exporters are inspected. A road map with Uzbekistan was agreed in 2020. Administrative documents of departments will be digitalized.

10. Mr. Bolot Zhumanaliev, Deputy Director of the Plant Quarantine Department, Ministry of Agriculture, Water Resources and Regional Development of Kyrgyz Republic observed that cooperation within CAREC has strengthened under the pandemic and important to maintain agro-food markets and protect crops. SPS system is part of Kyrgyz strategy and Eurasian Economic Union (EAEU) integration. Pest monitoring is focused on import inspection. Five phytosanitary quarantine facilities were established, loci of pests were determined and instruction on control and extermination provided. Funds are allocated for plant pest control and treatment to improve competitiveness. There is close cooperation with other countries including Uzbekistan, and protocols with PRC include joint inspection. Since 2019, e-certificates were issued to ensure traceability. The information systems of SPS bodies in EAEU will be integrated, and a similar agreement was signed with Uzbekistan. Under CAREC, substantial results were achieved, and research institutes must be developed.

11. Ms. Nigina Rajabova, Representative, Secretariat on Agro-reform under the Ministry of Agriculture of Tajikistan conveyed that the Food Security Council is central authority on plant protection. Tajikistan is also a member of Commonwealth of Independent States (CIS) Coordination Council on Plant Quarantine. Phytosanitary certificates follow ISPM 12. Protocols have been signed with PRC. However, laboratories are lacking and the existing ones need to be modernized.

12. In Turkmenistan, Mr. Toyly Kakajanov, Head of External Quarantine Department, State Plant Quarantine Service, Ministry of Agriculture and Environment reported that lists of pests and diseases are being developed, including those that require quarantine. Imports go through 2-tier border control, including secondary inspection. Protocols with Pakistan and Uzbekistan are being formulated.

13. Uzbekistan continues with full-scale improvement of SPS services. More than 60 ISPMs have been complied with and the central laboratory is ISO17025-accredited. It has also connected to the ePhyto Hub and is integrating its information systems with those of Kazakhstan and Kyrgyz Republic. Pest free areas will be established. Mr. Sultan Sultanov added that inspection under the Fergana Valley pilot project will be extended to other districts and other pests, and results will be shared with neighboring countries. Collaborative activities with international agencies must continue. He supported the proposal to set up a biological factory on sterilization and called on ADB for technical assistance, e.g., lessons from Chile's innovative and economical control of fruit fly may be applicable to the apple and melon fly.

14. Mr. Narbayev, noting that SPS measures are undertaken at national and bilateral levels, suggested drafting a regional plan for pest control, where short- and long-term measures may be specified.

15. In closing, Mr. Kasimov urged CAREC to put emphasis on scientific modernization of SPS measures. With a growing agricultural trade, this will better prepare CAREC. Specific areas to develop through cooperation are research, survey of vulnerable areas, methods of detection and quarantine, risk management, and pest monitoring.



CAREC Sanitary and Phytosanitary Measures Week
Addressing Transboundary Animal Diseases and Food Safety Issues
Day 3, 21 April 2021 (virtual)

HIGHLIGHTS OF DISCUSSION

1. The spread of transboundary animal diseases (TADs) is a serious threat with socioeconomic and public health consequences. TADs pose challenges to CAREC not only for livestock rearing and trade but also for wildlife and risks from zoonoses. The Addressing Transboundary Animal Diseases and Food Safety Issues webinar was held on 21 April 2021, with the objective of discussing initiatives and projects to prevent and control TADs, address food safety issues, and strengthen regional cooperation.
2. The meeting was chaired by Mr. Kexin Bi, Director General, Department of Import and Export Food Safety Bureau, General Administration of Customs of the People's Republic of China (PRC) and Chair of Sanitary and Phytosanitary (SPS) National Working Group of PRC and Mr. Qingfeng Zhang, Chief of Rural Development and Food Security (Agriculture) Thematic Group, Sustainable Development and Climate Change Department (SDTC-AR), ADB. Mr. Bi noted that significant achievements in CAREC are closely linked to cooperation. In the past one year or more, during the process of anti-COVID-19 and economic recovery and social development, PRC and the Central Asian countries supported each other and fought against the difficult time together. With the joint efforts of each party, the economic and trade cooperation between PRC and the Central Asian countries had shown great resilience and potentiality. At the same time, cooperation on TADs prevention is of great significance. In order to effectively prevent the cross-border transmission, spread and overspread of animal diseases, we should further strengthen the cooperation and information exchange on joint prevention and control policies of TADs, form a joint force to implement the "one world-one health" approach, and jointly guarantee human health, food safety, trade safety and ecological safety. Mr. Zhang remarked that animal health and food safety are of great relevance to CAREC, where more than 30 OIE-listed animal diseases of importance to trade are endemic and over half are highly transmissible TADs. This makes cooperation absolutely essential, stressing the One-Health approach can ensure animal and human health and food safety through collaboration by all sectors.
3. Ms. Michiko Katagami, Principal Natural Resources and Agriculture Specialist, SDTC-AR, ADB, and Mr. Mereke Taitubayev, Head of Sub Regional Office for Central Asia, World Organization for Animal Health (OIE) served as moderators for the first and second sessions, respectively. The highlights are as follows.

TADs are a global animal health problem. Regional and global initiatives are addressing them.

4. TAD prevention based on OIE standards is a key element for safe trade in animals and animal products. Mr. Jean Perchet, Technical Assistant, OIE Regional Representation in Moscow, conveyed that OIE's Terrestrial and Aquatic Animal Health Codes provide standards for disease prevention and control, organization of veterinary services, and safe international trade. Manuals provide guidelines for laboratory diagnostics and vaccinations. The Codes are mainly about effective organization and transparency, as governance is vital. General horizontal standards for trade are in Chapter 5 while disease-specific chapters are provided for foot-and-mouth disease (FMD), peste des petits ruminants (PPR), and lumpy skin disease (LSD). There is shared responsibility among OIE members on how standards are implemented.

5. Recognizing that coordinated efforts are a necessity, the Global Framework for Control of TADs (OIE-Food and Agriculture Organization (FAO) initiative), aims to limit the impact of animal disease on livelihoods and trade, improve prevention and control, and enhance the capacity of animal health systems. Global priority TADs are FMD, PPR, post-rinderpest, Asian swine flu (ASF). The WAHIS is the comprehensive database on the status of animal disease worldwide. Regional initiatives are road maps on PPR and coordination on LSD. Collaboration on common priorities, and improved state of animal herds and access to markets all contribute to human, animal, and environment health under the One-Health approach.

6. FMD is a major hindrance to exports of Mongolia. Mr. Jan Hinrichs, Senior Natural Resources Economist, Environment, Natural Resources & Agriculture Division, East Asia Department, ADB discussed ADB's support to Mongolia's livestock sector, as it seeks to eradicate FMD and establish an FMD-free zone in Western Mongolia and obtain OIE recognition, citing the CAREC as a platform that can help ensure recognition of this status in the region. ADB provided technical assistance for the joint control of TADs by Mongolia and PRC in 2013. An ongoing \$15 million ADB project for Regional Upgrade of SPS Measures for Trade is modernizing laboratories, and constructing quarantine and inspection facilities. A proposed \$30 million ADB project for Climate-Resilient and Sustainable Livestock Development will enhance the climate resilience of livestock, pasture, and water management, strengthen livestock value chains, improve livestock sector regulations and capacity. Linkages with other regional TAD control initiatives include: (a) capacity of veterinary services to control FMD, (b) streamlining SPS certification and traceability, (c) reactivation of Mongolia's national working group on SPS, (d) World Bank \$30 million Livestock Commercialization project for 2020-2025 to strengthen veterinary services and implement Mongolia Animal Health Information System; (e) FAO agriculture trade strategy. FAO is also piloting an animal identification system using IT with the Ministry of Food, Agriculture and Light Industry and the EU.

7. Regional animal health networks are a platform for controlling TADs, mainly through the exchange of information, harmonizing policies and procedures, and coordinating activities. Mr. Daniel Beltran-Alcrudo, Technical Advisor on Animal Health, FAO Regional Office for Europe and Central Asia, presented the Central Asia Animal Health Network (CAAHN), which brings together the 5 Central Asian countries, FAO, OIE, World Health Organization (WHO), reference laboratories, and private sector. Launched in late 2019, MOUs have been signed as country ownership is essential, and laboratory and epidemiology focal points per country are assigned. The initial focus is on

neglected zoonoses, i.e., brucellosis, echinococcosis, rabies, tuberculosis, and anthrax. Activities include workshops, online training, awareness events, assessments of laboratories and surveillance capacities. CAAHN is open to bringing neighboring countries to work together in on specific issues, given the shared borders.

8. Mr. Taitubayev announced that under OIE and WHO will start a project in June 2021 on antimicrobial resistance under the One-Health initiative. With respect to animal identification, he added that it helps traceability, thus information sharing is vital at the regional level, which is an important function of animal health networks. Implementing standards at the national level will facilitate this.

9. Electronic veterinary certification (e-vet) is a future priority that is under discussion. DPs are invited to support countries that are ready to implement. Mr. Melvin Spreij, Head of Standards and Trade Development Facility (STDF), World Trade Organization (WTO) further clarified that an STDF-funded project with OIE examined the feasibility of e-vet, providing recommendations that have yet to be considered by OIE. The transition to e-vet is complicated because certification is not harmonized. However, there are opportunities to use current systems such as the ePhyto hub, which can function as an e-Cert hub and for the exchange of e-vets.

National sanitary/veterinary health protection measures are also in place.

10. Mr. B. Ganzorig, Director General, General Authority of Veterinary Services, Ministry of Food, Agriculture and Light Industry, affirmed the importance to Mongolia of improving the quality of veterinary services particularly for controlling TADs as they affect meat exports. Laboratory and diagnostic facilities must be internationally accredited. Areas to focus improvement on: organization of veterinary services; aligning regulations with international standards; knowledge and skills of veterinarians; infrastructure, instruments, and tools; surveillance and control, compliance assessment capacity; network of laboratories at national and aimag levels. Priority TADs must be identified based on risk and capacity. Regions must be freed of highly contagious TADs, international recognition supported, and isolated farms created. This requires an enhanced system of veterinary hygiene and expertise; computerized international veterinary certificates; and a system of tracing the origin of livestock products.

11. Mr. Abduvahob Avgonov, Deputy Head of the Department on Veterinary Inspection and Livestock Breeding, Committee for Food Security, reported that Tajikistan has a stable animal health situation, with no TADs registered for over a decade. Nevertheless, it is improving the epidemiological situation at border regions with Afghanistan, Kyrgyz Republic, PRC, and Uzbekistan. Work to eradicate TADs is ongoing under CAAHN, which conducted epidemiological surveillance evaluations that will help in formulating strategies for veterinary services and priority diseases. Surveillance and laboratory capacity were assessed, and a comprehensive action plan was formulated with the Ministry of Health. The capacity for early identification and detection of zoonoses and dangerous disease must be enhanced, and specialists are needed at the local level. For food safety there are 23 diagnostic centers, of which the national ones are ISO17025-accredited.

12. Mr. Habibullo Hamdamov (Head, Department of Animal Health, State Committee for Veterinary and Livestock Development) conveyed that Uzbekistan is implementing the recommendations of OIE for the development of veterinary services, following evaluations

conducted first in 2007 and in 2019 on legislation and laboratory services. Legislation is now being brought to compliance with international standards. The status of veterinary services was also raised to ministerial level.

13. Mr. Habibullah Safi, SPS Officer, Centre for Agriculture and Bioscience International mentioned the support for Afghanistan to build capacity in establishing pest free area, pest identification system, pest risk analysis, as well as animal health using modules developed by the US Department of Agriculture. SPS measures are being harmonized with the WTO SPS Agreement.



CAREC Sanitary and Phytosanitary Measures Week
Joint Meeting of the CAREC Customs Cooperation Committee and SPS Regional
Working Group: *Facilitating Safe Trade – Risk Management and Digitalization*
Day 4, 22 April 2021 (virtual)

HIGHLIGHTS OF DISCUSSION

1. Inter-agency and cross-border coordination mechanisms are required to facilitate trade. One area that customs and SPS inspective agencies can cooperate better is on risk management. The Joint Meeting of the CAREC Customs Cooperation Committee and SPS Regional Working Group: Facilitating Safe Trade – Risk Management and Digitalization was held virtually on 22 April 2021. Members of CAREC Customs Cooperation Committee, Sanitary and Phytosanitary (SPS) Regional Working Group, and development partners participated. The objectives of the meeting were to deliberate on risk management and digitalization and support inter-agency and cross-border coordination mechanisms to facilitate safe and paperless trade. The meeting was co-chaired by Mr. Javad Gasimov, Deputy Chair, State Customs Committee of Azerbaijan and Ms. Teresa Kho, Deputy Director General, East Asia Department, Asian Development Bank (ADB).

2. In his opening remarks, Deputy Chair Gasimov emphasized that the COVID-19 pandemic has affected trade and border control movement. It also spurred digitalization, which facilitates the movement of goods and helps transform the economy. Information technology systems enables information exchange, coordination between agencies, and the establishment of risk management systems. Risk mitigation measures should be proportional to the challenges, and not hinder trade to provide smooth flow of goods. The global trend is towards unified systems of control and integrated border and risk management systems.

3. Ms. Kho highlighted that the meeting is an important milestone in bringing together stakeholders from various ministries and particularly, two trade sector groups under the CAREC program. She underscored that facilitating trade will ensure supply chain connectivity and food security. There is also a heightened need to increase resilience to future threats arising from cross-border movement of goods. Risk assessment and management are integral to regulations and compliance to customs, border inspection agencies, and food safety authorities. While the general objective is to secure public health and safety, effective risk management can help reduce the time and costs of trade. Highlights of the discussions are as follow.

Session 1: Integrated Risk Management

4. The meeting recognized the need for cooperation among border agencies and discussed proposals for infrastructure development at the borders, use of information

technology, national single window, monitoring mechanism, and continuing training. Mr. Muhammad Sohail Shahzad, Director of Technical Quarantine, Department of Plant Protection of the Ministry of National Food Security and Research of Pakistan moderated the session.

Risk management and digitalization are critical tools for Customs and SPS agencies to carry out their mandates.

5. **Risk Prioritization in Phytosanitary Management.** Mr. Shane Sela, Senior Trade Facilitation Specialist of World Bank introduced the concept of risk and risk analysis and the importance of developing a risk management strategy and formulation of requirements. Mr. Sela underlined that modern border management is outcome-based, uses digital information, follows a centralized consistent approach, focuses across a spectrum of commodities, and is compliance-based. For this, digital information and risk prioritization have become mainstays. Mr. Sela also discussed risk prioritization, an ongoing evaluation of operational data to adjust border management strategy across regulated commodities. He emphasized that a suite of tools is available to effectively manage risks pre-border, at the border, and post-border.

6. **Improving Risk Management Systems in Central Asia.** Mr. Robbert Wiering, Advisor on Trade Facilitation in Central Asia Program, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) introduced the Trade Facilitation in Central Asia (TFCA) program covering 5 countries and consists of 4 components: (i) improved risk management systems for border clearance, (ii) simplified transit procedures, (iii) increased private sector involvement in policy making, and (iv) piloting innovative measures for trade facilitation. The TFCA analyzed risk management systems in the 5 countries, developed risk management systems for border agencies and built capacity building measures. Mr. Wiering cited the “Sanarip Tamga” pilot project in Dostuk, Kyrgyz Republic, which will make it possible to share preliminary information submitted to Customs with border agencies (SPS, transport control). Border agencies agreed to establish a unified form and use preliminary information. Mr. Wiering noted that the challenges in the case of SPS systems are the low level of digitalization, limited interaction between headquarters and the border customs control, weak cooperation, lack of qualified employees, and low awareness. While risk minimization measures are used, support is needed for digitalization, risk management knowledge, and SPS skills and technical infrastructure.

7. **Integrating SPS and Customs Functions.** Mr. Samson Uridia, Head of Department for International Relations, Revenue Service, Ministry of Finance of Georgia highlighted that SPS border control function was delegated to the Customs Department in 2006, followed by tax administration and passport control in 2007. The Ministry of Environmental Protection and Agriculture (MEPA) is the policymaking agency, while the National Food Agency (NFA, for domestic) and Ministry of Finance of Georgia - Revenue Service (GRS, for border) are the executive bodies. Mr. Uridia shared that SPS import control procedures in Georgia consist of documentary and identity check, Monitoring Plan, physical check, and sampling. Data is provided in advance by the consignee. Monitoring Plan is approved by GRS in agreement with the NFA and includes risk parameters (HS code, purpose, name, percentage of sampling, and country of origin). The information exchange system uses the Oracle platform and e-Customs, which is fed by the SPS permit system; and used for targeting. Risk-based decision is also registered in the system.

Session 2: Open Forum/Country Interventions

CAREC countries are using information technology to modernize their Customs systems. They are at various stages of digitalization, while some have joint initiatives.

8. Mr. Gasimov of Azerbaijan shared that food security and customs functions are integrated, and the issued certificate comes automatically to Customs. With common priorities, steps are being undertaken towards integration on a single electronic platform. Risk management should also use digital technology and include integration of SPS issues. A third priority is to connect to international projects, an ongoing process despite the COVID-19 pandemic. Azerbaijan cited SPS controls implemented at borders as a good practice and called CAREC countries to prepare for challenges and cooperate in common areas. Azerbaijan noted that the Azerbaijan-Georgia pilot could be replicated in other countries.

9. Mr. Uridia shared that Georgia is improving its data management capacity, in both soft skills or data analytics and hard infrastructure. Customs risk management is not only fully operational but also using modern technology, such as big data, processing platforms to collect from all sources. On possibility of joint risk profiles, Georgia set up the infrastructure for smooth data flow between the border and other stakeholders. Joint SPS and Customs risk profiles are not in place now, but information technology specialists may come up with a solution. The risk profile is based on the Monitoring Plan, using information from the NFA and MEPA that identify high-risk cargo. These risk profiles are applied to data received from the consignee. Joint risk profiles are valuable and require investment, established practice, information exchange among border agencies. This contributes to the speed and quality of border control. A project with Azerbaijan is being implemented, which uses blockchain technology in validating the certificate of origin, which reduces time substantially. Georgia requested ADB's support on the proposed establishment of Azerbaijan-Georgia joint control project.

10. Ms. Diana Zhabagibayeva, Chief Expert, Division of Customs Operations, Methodology Department, State Revenue Committee, Ministry of Finance of Kazakhstan, reported that risk management was computerized in 2011 and electronic declaration launched in 2018 with the ASTANA1 information system (based on ASYCUDA). It performs automatic risk assessment. A single unified database for government licensing agencies is integrated into ASTANA1. When the electronic declaration is submitted, the consignee will know which goods will be subject to certification. After certification, system checks whether a license has been previously used, and can choose goods to inspect. Border authorities in Kazakhstan also implement SPS and veterinary controls through the ASTANA1 system.

11. Mr. D. Tsendsuren, Customs Senior Officer of International Cooperation Division, Mongolian Customs General Administration underscored that the Regional Improvement Border Service (RIBS) project hard infrastructure was constructed in two selected border crossing points (ZamynUud-Erlian, Altanbulag-Bichigt). The second component of the RIBS project is updating of the Customs information system to the ASYCUDA 3.7 version. This includes modules for Customs clearance and electronic submission. The third component is the national single window (NSW), which is still at the legal analysis stage.

12. Mr. Timur Arabov, Chief Inspector, Customs Control Department, State Customs Service of Tajikistan shared that since becoming a World Trade Organization member in 2013, legislation has been in compliance. Digitalization in Customs was piloted with Unified Automated Information System (UAIS) in 2012, which consisted of customs clearance and control, risk management system, and customs duties and payment, while electronic declaration started in 2013. In 2018, Tajikistan signed an agreement on green corridors with Uzbekistan and the Russian Federation, under which information on goods is exchanged. In 2019, NSW was launched for export, import, and transit goods. Recently, Tajikistan also implemented the e-TIR. There is no integrated risk management system with SPS, but to improve customs control, the risk management subsystem of UAIS is being modernized with assistance from Korean Customs, and once completed the risk management function will be across-the-board. The One-Stop-Shop of border agencies for clearance reduced time from 2 hours to 1 hour. Tajikistan plans to set up integrated risk management, which also applies to information exchange via the NSW.

13. Mr. Bayramgeldi Atagulyyev, Head of Analytical Department, State Customs Service of Turkmenistan conveyed that Turkmenistan has been modernizing Customs since 2017 based on a reform strategy. The strategy includes improving legislation that are based on international standards, automation of Customs using ASYCUDA, establishment of online control and customs terminal, and upgrading of border crossing points. The second stage of the strategy is to implement the NSW, for which a project document with UNCTAD and other organizations was signed, with a view to complete by 2023. On cooperation, agreements with Afghanistan, Azerbaijan, and Iran were forged, and work is being done on the technical conditions of information exchange.



**CAREC Sanitary and Phytosanitary Measures Week
2nd Meeting of the CAREC SPS Regional Working Group
27 April 2021 (virtual)**

HIGHLIGHTS OF DISCUSSION

1. The 2nd Meeting of the CAREC Sanitary and Phytosanitary (SPS) Regional Working Group was held on 27 April 2021, as the culminating activity of CAREC SPS Measures Week. The objectives were to (a) discuss progress in implementing the CAREC Common Agenda for Modernization of SPS Measures for Trade; and (b) deliberate on SPS initiatives to enhance market access, facilitate safe trade and help countries participate in global value chains, which would be included in the SPS work plan. The work plan is part of the Rolling Strategic Action Plan (RSAP) 2021-2023 of the CAREC Integrated Trade Agenda 2030.

2. Mr. Orkhan Mikayil, Head of Import and Export Control Department, Food Safety Agency of Azerbaijan; Ms. Xiaoqin Fan, Director, Public Management, Financial Sector, and Regional Cooperation Division, East Asia Department, Asian Development Bank (ADB); and Mr. Melvin Spreij, Head of Standards and Trade Development Facility, World Trade Organization (WTO) co-chaired the meeting.

3. Mr. Mikayil noted that the COVID19 pandemic has underscored the need for global cooperation and coordination to lower barriers to trade and investments. Food safety requires effective regulation and sustained investments. It is not confined to one country and also important for attaining the UN sustainable development goals (SDGs). Azerbaijan continues to support the CAREC Program towards achieving sustainable growth of its member countries.

4. Ms. Fan remarked that: (a) regional mechanisms can help overcome SPS challenges that transcend borders; (b) the COVID-19 pandemic has heightened the need for digital solutions; and (c) enhanced coordination among agriculture, border inspection and health authorities under the One-Health approach enables sustainable recovery. CAREC countries must continue modernizing their SPS systems to facilitate trade while managing transboundary risks to human, plant, and animal health. The proposed CAREC SPS Workplan will help prioritize actions in this regard.

5. Mr. Spreij observed interesting initiatives discussed during the SPS week sessions. Both COVID-related and technical challenges constrain the functioning of SPS national working groups (NWGs), such that cooperation among SPS agencies and between them and Customs is still limited. The One-Health initiative is important and the question is how to put it in practice.

6. Ms. Dorothea Lazaro, Regional Cooperation Specialist, Public Management, Financial Sector, and Regional Cooperation Division, East Asia Department, presented

the highlights of the CAREC SPS measures week. Recommendations and suggestions were incorporated into the proposed CAREC SPS work plan. She underscored that national priorities could be further supported through a reactivation of NWGs.

7. Country delegates provided (a) updates on their national SPS work plans and initiatives, (b) proposals and comments on the proposed SPS work plan.

8. **Afghanistan.** Mr. Ahmad Faridon Kakar, SPS Inquiry Point and Regional Coordination Acting Coordinator, General Directorate of Planning and Program Coordination, Ministry of Agriculture, Irrigation and Livestock reported that SPS laws are being amended to align with international standards. More than 20 food standards were developed. Their e-certification software is complete and paperless certificates for exports will be launched. New buildings, slaughterhouses, and border quarantine stations were constructed, but newly installed laboratory equipment is unused due to the lack of technical knowledge. ADB and USAID-supported projects on horticulture value chain and livestock development are ongoing.

9. Their proposals are classified into (a) *Law and policy*: (i) Revise food safety legislation; (ii) Develop pest list policy and strategy; (iii) Develop mandatory standards, and conform with Hazard Analysis Critical Control Point (HACCP), Good Manufacturing Practice (GMP), Good Agricultural Practices (GAPs); (b) *Infrastructure*: (i) improve infrastructure and facilities of the Food and Drug Authority further; (ii) Build slaughterhouses in other provinces; (iii) Establish veterinary medicine in control laboratories and obtain laboratory accreditation according to ISO9001 and ISO17025; (iv) Equip quarantine specialists in central laboratories; (c) *Capacity building*: (i) Support MS and PhD scholarships on International Plant Protection Convention (IPPC), World Organisation for Animal Health (OIE), and Codex Alimentarius Commission subjects; (ii) Train on maximum residue level (MRLs) and ISO22000; (iii) Train trainers on standards, inspection and certification; (iv) Train on food safety network capacity, online information sharing, SPS Agreement requirements; and (d) resources for active surveillance of animal disease.

10. **Azerbaijan.** Mr. Mikayil conveyed that the Azerbaijani Food Safety Agency (AFSA) is now in charge of SPS measures and SPS certification. Since 2018 their certification system fulfilled all requirements of IPPC, OIE, and Codex. Work is ongoing to integrate the electronic system with that of Russian Federation for the mutual exchange of ePhyto certificates. Filing of applications is fully digitalized. With neighboring countries, they are developing a rapid alert system to prevent the entry of unsafe food. Azerbaijan is also part of the International Food Safety Authorities Network (InfoSan) and has a twinning project with EU to develop food safety and veterinary legislation towards harmonization. On the SPS work plan, Azerbaijan would like to establish pest free areas particularly in recently liberated lands to return them to agricultural use. They are also focusing on e-certification and trade facilitation, and can share their e-government experience given their high Doing Business ranking.

11. **People's Republic of China.** Mr. Ziwei Yuan, Senior Consulate, Department of International Cooperation, General Administration of Customs, expressed that PRC welcomes current progress of CAREC, has no further comments on the draft SPS work plan, and will continue to contribute and cooperate with CAREC members.

12. **Georgia.** Mr. Samson Uridia, Head, Department for International Relations, Revenue Service, Ministry of Finance, fully endorsed the move for SPS agencies to maintain a digital platform, as there are no better alternatives to digitalization. Georgia's priorities are SPS regulations, which must approximate legislation, in turn aligned with the WTO and EU standards. These require infrastructure and technical support. For specific proposals, the completion of training on SPS risk assessment is suggested. Cooperation is key, thus ePhyto is supported, and joint AZE-GEO border control is proposed. Ms. Maria Chubimishvili, Head of the Phytosanitary Department, National Food Safety Agency, expressed readiness to develop and participate in the ePhyto project. Georgia currently has a phytosanitary certification system together with border control.

13. **Kazakhstan.** Ms. Gulzhan Nurtazina, Deputy Chairman, Committee for Veterinary Control and Supervision, Ministry of Agriculture reported that several food safety measures were undertaken, including the monitoring of food safety parameters of livestock production, which will cover imported livestock products from 2022 and extend to other products in the next 5 years. Kazakhstan implements relevant international standards, as well as regional food safety standards under the Eurasian Economic Union (EAEU). SPS agencies are cooperating to harmonize international with regional standards.

14. **Kyrgyz Republic.** Mr. Bakyt Shabanov, Head of the Technical Regulation Department of Ministry of Economy and Finance; Deputy Head of the SPS NWG, described the work of the SPS NWG including the formulation of national strategy and workplan, which focuses on the implementation of CAST as well as recommendations regarding EAEU resolutions on food products and technical competencies. Technical regulations are being implemented. Support to CAREC SPS work was reiterated, such as joint control of animal diseases, authorized border coordination. Kyrgyz Republic welcomes sharing of experiences of developed countries, and support from international organizations.

15. **Mongolia.** Ms. Oyu Vasha, Director General of the Department of Foreign Trade and Economic Cooperation, Ministry of Foreign Affairs affirmed that agriculture and IT are given priority in Mongolia's long-term "Vision 2050" development policy, through trade facilitation and digitalization. The SPS NWG ensures intersectoral coordination in implementing the WTO SPS Agreement and adopting international standards. There will be collaboration with CAREC countries to strengthen veterinary services in line with OIE standards, establish disease-free zones for foot and mouth disease (FMD) and Peste des Petits Ruminants (PPR), and improve the quality and safety of animals and products through improved management of animal health and trade. Mongolia's proposals are: (a) for the CAREC Program to provide technical assistance in identifying general standards, guidelines and recommendations on SPS measures and adopting them as national standards; and (b) to introduce the ePhyto solution and consider e-vet certification to control and prevent TADs, address food safety, and digitalize customs operations.

16. **Pakistan.** Mr. Muhammad Sohail Shahzad, Director, Technical Quarantine, Department of Plant Protection, Ministry of National Food Security and Research, conveyed that they harmonized plant quarantine regulations with international standards in 2019, appointed technical experts to streamline quarantine inspection and clearance. Work on the national single window at ports as well as drafting of food safety regulations at borders are in progress. The identified needs are (a) modern infrastructure for quarantine and food safety inspection and testing at ports, and better management and

technical manpower for quick biosecurity and food safety clearances; (b) assistance in developing cold chain facilities at ports; (c) appointing technical manpower and building capacity; (d) facilitating digital SPS certification.

17. **Tajikistan.** Mr. Firdavs Kadirov, Deputy Head of the Department on Phytosanitary, Plant Quarantine and Seeds, Committee for Food Security disclosed that SPS is under the Food Safety Committee, and principles of the WTO SPS Agreement are being incorporated into national legislation. Tajikistan is also a member of the Commonwealth of Independent States that has a coordinating council for plant quarantine to address phytosanitary issues. A convention on plant quarantine cooperation signed in 1992, seeks to develop new technologies and promote quality control of food products, improve protection against pests and remove obstacles to trade in plant products. To further improve capacity in agriculture development, the identified needs are to: (a) equip border control posts and SPS agencies, use tracking devices for animals, improve veterinary and phytosanitary laboratories; (b) develop system of analysis and risk management in the Food Safety Committee, and train food specialists; (c) strengthen interdepartmental cooperation and collaboration and include stakeholders.

18. **Turkmenistan.** Mr. Hojanazar Orazdurdyev, Deputy Head of State Sanitary Epidemiological Service, Ministry of Healthcare and Medical Industry, reported that implementation of CAREC SPS work and cooperation with development partners has raised the professional level of national laboratory services on food contamination, diagnosis of plant quarantine pests, disease control and animal health. Strengthened agencies implemented high quality phytosanitary and epidemiological measures. The SPS NWG was established in 2018 and developed a national strategy for 2019-2023. A simplified and cost-effective risk-based food safety management system was piloted in 2019 to address issues faced by food businesses in adopting GAP, GMP, and HACCP. Risks to small and medium enterprises and catering enterprises were profiled, food safety standards were introduced and the food safety management system was simplified. However, COVID-19 affected the ability to finish the activities. The proposal is to make the pilot inspection and risk-based food safety management system a regional project in the future.

19. **Uzbekistan.** Mr. Sultanmakhmud Sultanov, Head of International Relations Department, State Plant Quarantine Inspection suggested continuing the joint efforts on pest monitoring in the Fergana Valley currently being undertaken by the USAID and ADB, educating specialists on phytosanitary risks, and including Uzbekistan in the modernization of border posts and laboratories on the Afghanistan border. Furthermore, as one of the first countries to join ePhyto Hub, it is exchanging ePhytos with 27 countries, and now working to integrate its information system with those of Kazakhstan and Kyrgyz Republic. It is also implementing 130 ISPMs to improve control on import and export of food products and various pests. This is in line with its process of acceding to WTO, together with modernization of SPS legislation and establishment of an inquiry point. Mr. Avaz Makhmudov, Deputy Head of Department to Improve Customs-Tariff Regulation, Ministry of Investments and Foreign Trade underscored as key activities: (a) revise SPS legislation on food quality and safety, with the participation of international experts; and (b) implement IT like ePhyto and actively undertake risk analysis in different agencies, from which recommendations could be considered with assistance from development partners.

20. In **Session 3** development partners provided their interventions regarding country proposals or SPS initiatives relevant to CAREC.

21. Mr. Giap Minh Bui, Principal Natural Resources and Agriculture Economist, Central and West Asia Department, ADB revealed that the technical assistance project on food safety trained inspectors in some countries and helped draft legislation and food safety strategies in Tajikistan and Uzbekistan. Support is provided on a need basis due to limited resources.

22. Mr. William Kent, Attorney Advisor, International Commercial Law Development Program, Office of the General Counsel, U.S. Department of Commerce, noting that COVID-19 has shown the importance of notification and transparency in maintaining communication and protection, said that the training in Afghanistan emphasizes this. To control the transboundary transmission of disease, communication between traders, farmers, and technical experts is critical.

23. Mr. Melvin Spreij is pleased that the alignment of legislation with the SPS Agreement is part of the CAREC SPS workplan. To help countries undertake this monumental task, STDF is developing guidelines for Good Regulatory Practice, tackling whether there is a need to regulate and how to develop a good SPS measure. To be launched in November 2021, STDF will arrange targeted meetings with SPS regulators to review the draft manual. He also emphasized that monitoring of implementation of international standards is important. After one determines which standards are priority and whether guidance is available, if there are none, STDF can support their development. In relation to a post-COVID future, skills must be developed. What kind do SPS agencies need, e.g., technical skills, human skills (e.g., communication, fundraising, presentation, etc.). The trend towards green and sustainable trade, climate-neutrality, will affect food and agriculture.

24. Dr. Iskandar Abdullaev, Deputy Director, CAREC Institute, announced that the Institute will: (a) continue sharing knowledge products out of research studies, including policy dialogue to identify researchable areas; (b) focus on capacity development, together with ADB and extending to other partners; (c) cover the hardware/infrastructure component, e.g., status of laboratory, interoperability and information exchange, introduction of e-certification; (d) use best practice and pilot models, which contribute to the exchange of information. The e-platform was launched for convenient access to seminars, workshops and documents.

25. Ms. Lazaro requested countries to share their comments and announced that the revised CREC SPS work plan would be disseminated to the SPS RWG. On proposals for physical infrastructure or facilities, ADB may consider providing a loan or grant to support these, and coordination must be done with the respective Ministry of Finance to relay the request to the ADB Resident Mission. For technical assistance, ADB will work closely with countries through national SPS consultants.

26. Mr. Mikayil closed the meeting, emphasizing that collaboration among countries makes experiences and best practice available. To reignite enthusiasm for multilateralism, there is need to innovate, reach out to new partners, reengage and trust across the board. This will generate momentum in development.