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TRADE IMPACT
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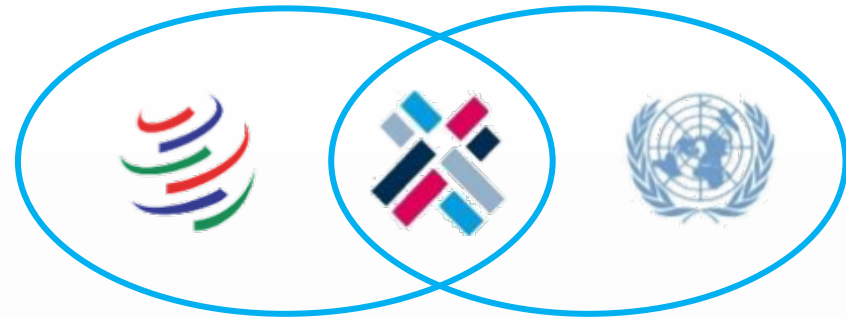
ADB-WTO-Pakistan Seminar on SPS Measures

Insights from ITC's projects in Pakistan

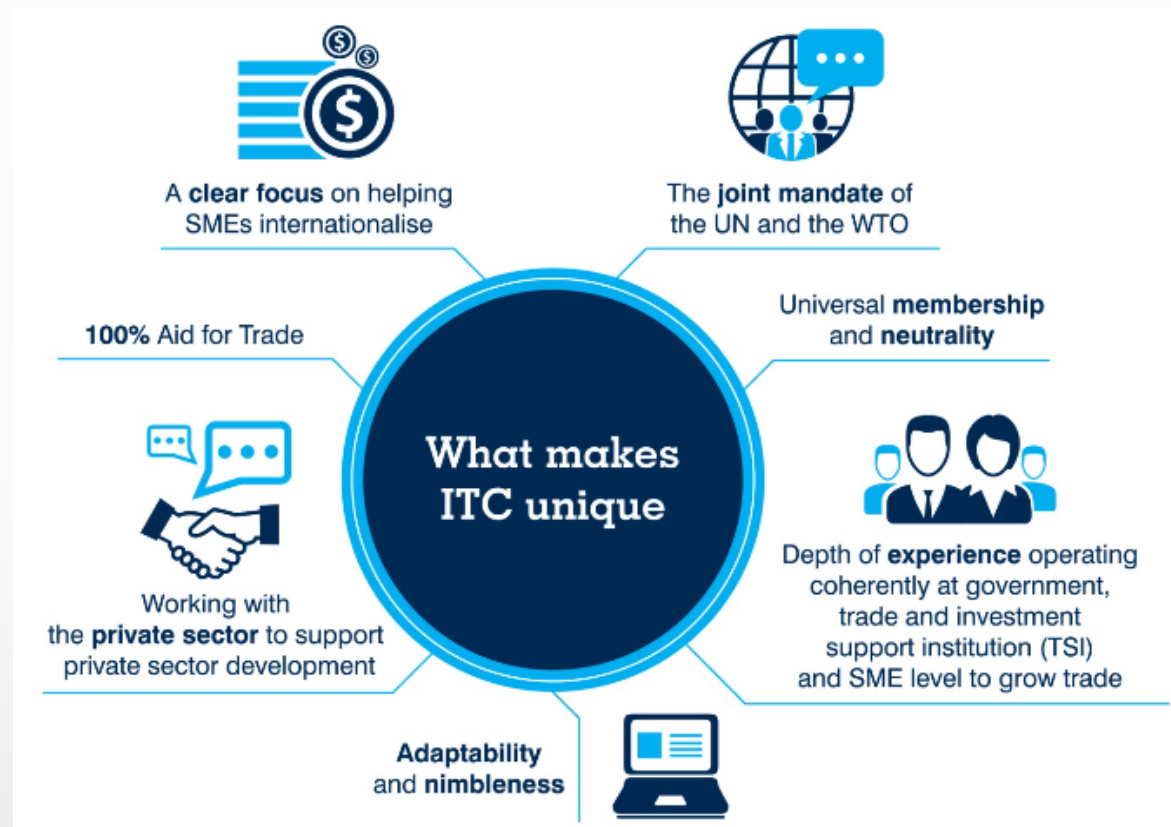
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Division of Market Development
1 April 2022



International Trade Centre (ITC)



- Established in 1964 in Geneva, Switzerland
- Joint agency of the United Nations (UN) and the World Trade Organization (WTO)



ITC's projects in Pakistan







In the past, ITC has implemented:

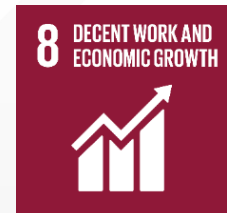
- **2011 – 2016:** Implemented a project to design and implement trade policy and regulatory reforms to improve export possibilities funded by the European Union
- **2018 – 2019:** Conducted business surveys on Non-Tariff Measures (NTMs) in partnership with the World Bank

ITC is currently implementing:

- **2019 – 2024:** Growth for Rural Advancement and Sustainable Progress (GRASP) project funded by the European Union
- **2020 – 2024:** Trade component of the Revenue Mobilisation for Investment and Trade (ReMIT) project funded by the Foreign, Commonwealth and Development Office (FCDO) of the United Kingdom

GRASP: Snapshot

	Duration	5.5 years
	Ends	December 2024
	Budget	EUR 48.5 million
	Sectors	Horticulture, Livestock, Crosscutting for Gender and Environment
	Provinces	Sindh and Balochistan
	Donor	European Union
	Core partners	PPAF, FAO, SMEDA among others



GRASP: Results chain

Objective: To support poverty reduction and sustainable, inclusive economic growth in rural areas of Pakistan.

Outcome: Enhanced competitiveness of MSMEs involved in primary production, service provision and value addition in and around selected clusters of production.

Output 1: (Policy & regulations)

Regulatory and institutional frameworks and business environment improved for rural value chain and MSME development



Output 2: (Productivity, quality and value addition)

Productivity, quality and sustainability of selected value chains in horticulture and livestock improved



Output 3: (Market linkages and finance)

MSME commercialization within selected value chains improved



Output 1 snapshot



Output 1: (Policy & regulations)

Regulatory and institutional frameworks improved at federal and provincial levels for rural value chain and MSME development.

1.1	Output 1.1 (Domestic commerce policy) Domestic commerce and regulatory policies reviewed and conducive for rural MSME competitiveness.
1.2	Output 1.2: (Agricultural policies) Agricultural policies reviewed and conducive for enhanced value chain competitiveness
1.3	Output 1.3: (Rural MSME strategies) Rural MSME competitiveness and sustainability strategies are designed
1.4	Output 1.4: (SPS and food safety) SPS (including food safety) regulatory, operational and institutional frameworks are reviewed and strengthened at provincial level.

Output 2 snapshot



Output 2: (Productivity, quality and value addition)

Productivity, quality and sustainability of selected value chains in horticulture and livestock improved

2.1	Output 2.1 (Climate Smart Agriculture) Climate Smart Agriculture practices and technologies in selected value chains promoted
2.2	Output 2.2 (Value Addition and quality) Capacities of MSMEs to add value including through compliance with food safety and other SPS measures enhanced
2.3	Output 2.3 (Agribusiness services) Capacities of agribusiness and environmental technology services providers (ABSP) to support MSMEs strengthened
2.4	Output 2.4 (Women empowerment) Rural women supported to engage in economic opportunities in agricultural production and value addition in selected value chains

Output 3 snapshot



Output 3: (Market linkages and finance)

Market linkages for MSMEs within selected value chains improved.

3.1	<p>Output 3.1 (Farmer associations) Capacities of Farmers Marketing Collectives to access local market opportunities enhanced</p>
3.2	<p>Output 3.2 (Inclusive Supply Chain) Capacities of agribusinesses to develop and manage supply linkages with small scale famers for selected product lines and markets enhanced</p>
3.3	<p>Output 3.3 (Entrepreneurship) Capacities of entrepreneurs to access local market opportunities enhanced</p>
3.4	<p>Output 3.4 (Market Information) Provision of market information to MSMEs reinforced</p>
3.5	<p>Output 3.5 (Access to finance/Institution) Financial institutions supported to offer financing for climate smart agriculture technologies</p>
3.6	<p>Output 3.6 (Access to finance/MSME) Creditworthiness and access to funding including for climate smart agriculture technologies of MSMEs improved</p>

Activities undertaken related to quality and SPS

- ❑ **Development of new or updating/review of existing laws, regulations, acts and/or policies** related to agriculture and SPS areas
 - Poultry production, livestock breeding and slaughter policies in Balochistan
 - Animal disease control and animal compound feed acts in Sindh
 - Fertilizer and pesticides acts in Sindh and Balochistan
- ❑ **Technical assistance to Sindh Food Authority (SFA) and Balochistan Food Authority (BFA)** following their assessment and development of 5-year action plans
 - Development of regulations, SOPs, guidelines for SFA
 - Procurement of mobile laboratories for SFA and BFA
 - Capacity building of SFA and BFA inspectors on milk, meat safety among others
 - Study trips for SFA and BFA officers to Punjab Food Authority
- ❑ **Developed Foot and Mouth Disease (FMD) control strategy** which was approved by both provincial governments (based on the federal policy)
- ❑ **Capacity building of senior Plant Protection officials** on enhanced SPS compliance in Sindh and Balochistan.

Activities undertaken related to quality and SPS

- ❑ **Strengthening of Sindh Animal Health Institute and Animal Science Institute Quetta** through upgrading of laboratory equipment and purchase of office equipment and technical material
- ❑ **Capacity building of district level officers on slaughterhouses** monitoring and improved compliance with food safety and SPS measures
- ❑ **Development of a manual for slaughterhouses on food safety** and best practices and conducted train-the-trainer workshops for dissemination at district levels
 - Followed up by 9 workshops in various districts and villages
- ❑ **Conducted trainings of over 500 SMEs across various districts in Sindh and Balochistan on food safety, hygiene and SPS aspects** of Good Agricultural Practices (GAP) and Good Manufacturing Practices (GMP)
- ❑ **Developed training material on quality management systems for SMEs** (at farm, processor and market levels) and conducted train-the-trainer workshops to build capacity of master trainers from government departments, NGOs, academia and others on delivering the training material in rural areas
- ❑ **Launched dairy and meat hygiene awareness campaigns** in Khairpur, Tando Muhammad Khan, Hyderabad, Thatta, Matiari and Sujawal districts.

Looking forward

At the federal level:

- ❑ **Provide technical assistance to strengthen National SPS Committee and National CODEX Committee** to oversee all SPS- and standards-related matters. Capacity building of stakeholders from Sindh and Balochistan (food authorities and others) on effective participation in these committees.
- ❑ **Assist Pakistan Standards and Quality Control Authority (PSQCA) to formulate coherent science-based standards across provinces** – including for priority products and sectors as well as residue levels – as per internationally recognized best practices (including for organic and grading of high-quality products).
- ❑ Provide support to relevant federal ministries (Ministry of National Food Security and Research, Ministry of Science and Technology, and Ministry of National Health Services, Regulation and Coordination) to **review the SPS-related laws, regulations and policies and develop guidelines for provinces** (including Sindh and Balochistan) on SPS compliance.

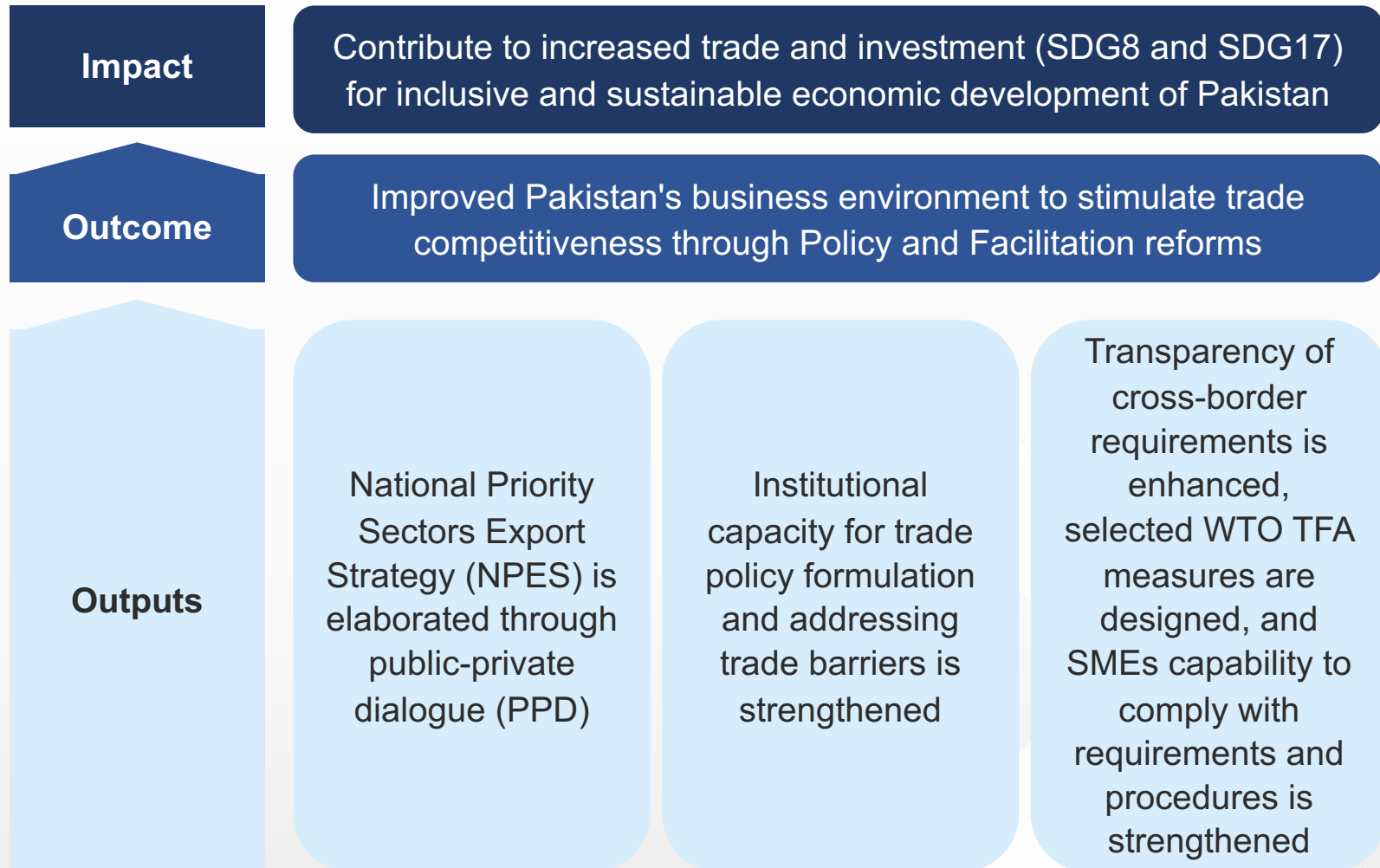
At the provincial level, GRASP will continue to provide support to develop/update policies, acts, strategies etc., upgrade laboratories, purchase equipment (including for automation), build capacities and more...

ReMIT: Snapshot

The ITC - Revenue Mobilisation, Investment and Trade Programme (ReMIT) is a component in the framework of a larger FCDO-funded TRTA to support Pakistan to implement reforms that lock-in macroeconomic stability and improve conditions for high and sustained growth, mutual prosperity, job creation and poverty reduction.

	Duration	4 years
	Start date	June 2020
	ITC Budget	USD 6,450,000
	Areas	Export strategy, trade policy and trade facilitation Multisector
	Donor	FCDO
	Lead counterpart	Ministry of Commerce

ReMIT: Results chain



Output 2: Trade policies and addressing NTMs

- ❑ **Identification and prioritization of most burdensome non-tariff trade barriers faced by exporters**
 - In fruits & vegetables, seafood, cutlery, surgical instruments and footwear sectors (plus financial services sector)
 - Follow-up analysis studies to pinpoint root causes and recommend regulatory and procedural reforms to address the trade barriers

- ❑ **Development of training modules** for mid-career management courses (MCMC) for the Pakistan Institute of Trade and Development (PITAD)

- ❑ **Capacity building of public and private sectors** (including women enterprises) on trade and market intelligence, export procedures, technical requirements and business advocacy

- ❑ **Support the implementation of the Strategic Trade Policy Framework** (STPF 2020-2025)

Activities undertaken related to quality and SPS

- ❑ **Identification of non-tariff trade barriers related to SPS and TBT** regulations, conformity assessment institutions, lack of national standards and awareness of private sector on technical requirements
- ❑ **Assessment of public-sector testing laboratories to support the exporters of fruits and vegetables and seafood sectors** related to pesticides residues, mycotoxins and other contaminants such as heavy metals, colorants, nitrates etc.
- ❑ **Analysis study to develop national standards in cutlery, surgical instruments and footwear sectors** as per best international practices and requirements of key export markets
- ❑ **Capacity building of over 400 rice exporters, growers and other value chain actors (pesticide suppliers, NGOs, progressive farmers, government agencies) on correct use of pesticides and allowed MRLs** in major export markets of Pakistan (in collaboration with REAP, MOC, TDAP and Chambers of Commerce)
 - In 7 rice-growing areas in Lahore, Faisalabad, Bahawalnagar, Naseer Abad, Larkana and Swat. Followed up by the development of a policy note for provincial departments
- ❑ **Development of a course on SPS and TBT measures** for the MCMC offered by PITAD

Thank you!!