



ASEAN - Australia - New Zealand Free Trade Area (AANZFTA)
Economic Cooperation Support Programme (AECSP)

AECSP CASE STUDY

ASEAN Regional Guidelines on Sanitary and Phytosanitary Measures

Enhancing ASEAN Capacities to
Implement International Standards

Summary Report



Background

Sanitary and Phytosanitary (SPS) measures are quarantine and biosecurity measures enacted to protect human, animal, and plant life and health from the risks associated with the spread of pests, diseases, toxins, and contaminants. These SPS measures include laws, regulations, requirements, decrees, and procedures (e.g., production and process methods, risk assessment, final product testing, inspection, certification, packaging and labelling requirements, etc.) in food and feedstuffs. While Governments have the sovereign rights to protect the public interest in health and safety, some SPS measures increase compliance and procedural costs, adversely hampering trade.

Members of the World Trade Organisation (WTO) are required to publish their requirements and laws related to SPS measures, which shall meet specific internationally recognised standards. The Agreement on the Application of SPS Measures (SPS Agreement), governed by the WTO, provides a framework of rules to guide WTO members in developing, adopting, and enforcing SPS measures that do not unduly affect trade. In addition, other international standards set by the International Plant Protection Convention (IPPC), the World Organisation for Animal Health (OIE), and the Codex Alimentarius (Codex) Commission provide further technical guidelines for implementation.

SPS measures play a significant role in fostering trade between the ASEAN Member States (AMS). This is because agricultural products, specifically fish and other animal products, account for a large portion of the regional trade. In ASEAN, SPS measures account for approximately half of the

total Non-Tariff-Measures that impede trade. The rise of SPS measures and other market access conditions can reflect differences in levels of development, procedural traditions in issuing and enacting regulations, and consumer protection standards across ASEAN.

Further complications arise when considering the high degree of variability in the maturity of SPS systems and capacity amongst AMS. These have critically affected the implementation of essential principles outlined in the SPS Agreement and other international standards and guidelines, such as IPPC, OIE, and Codex. Economic integration and market access are primarily conceived in terms of removing tariff and non-tariff barriers to trade. AMS's lack of regulatory coherence can lead to costly product development, manufacturing, and testing duplication. These requirements are especially burdensome to small and medium-sized enterprises (SMEs) with low capacities and thin margins. Therefore, increasing the capacity for AMS to implement the SPS Agreement and other international standards is of utmost importance.

Within this context, the AANZFTA Economic Cooperation Support Programme (AECSP) supported this project to assist the AMS in developing their national SPS standards based on international standards, guidelines, and recommendations to maximise the benefits of AANZFTA while fostering regional cooperation and greater integration amongst AANZFTA Parties.

Key Project Information

Project Title	ASEAN Regional Guideline for the Implementation of International Standards related to Sanitary and Phytosanitary Measures
Project Proponent	Food, Agriculture and Forestry Division (FAFD) of the ASEAN Secretariat in implementing the mandate from Senior Officials Meeting on Agriculture and Forestry (SOM AMAF)
Implementing Parties	ASEAN SPS Contact Point (ASCP), supported by the AANZFTA Sub-Committee on Sanitary and Phytosanitary Measures (SC- SPS) and FAFD
Project Timeline	June 2017 – November 2020

In 2017, the AANZFTA Economic Cooperation Support Programme (AECSP) set in motion a project entitled the 'ASEAN Regional Guidelines for the Implementation of International Standards related to Sanitary and Phytosanitary Measures.' The project aimed to assist AMS in developing their national SPS standards in line with international standards, guidelines, and recommendations. Two immediate objectives of the project were:

- To enhance understanding and recommend solutions for the challenges encountered by AMS in developing national SPS standards based on international standards and guidelines: The International Plant Protection Convention (IPPC), the World Organization for Animal Health (OIE) and the Codex Alimentarius (Codex); and
- To develop a regional guideline to assist AMS in their practical implementation of international standards related to SPS measures.

Phase One (June 2017 – August 2018) identified the degree to which AMS implemented the SPS Agreement and critical challenges to the successful implementation of the SPS Agreement and international standards by AMS. The consultants identified vital competencies that could be strengthened through the development of regional SPS guidelines.

Phase Two (August 2019 – November 2020) of the project focused on developing the regional guidelines to assist AMS in their practical implementation of international standards related to SPS, based on the recommended priority list of competencies developed during Phase One. The Guidelines cover two competencies: i) basic principles of the SPS Agreement are to be applied to trade policy, and ii) risk analysis and risk management are understood and applied where necessary.

Achieving its overall objectives, the project successfully delivered two key outputs:

- ◆ ['The Review Report of the Implementation of SPS Agreement and International Standards in the ASEAN Member States'](#), including two annexes detailing Country Summaries on Implementation of the SPS Agreement in the ASEAN Member States and Overview of the WTO, SPS Agreement and International Standards on Food Safety, Animal and Plant Health.
- ◆ A comprehensive set of ASEAN SPS Guidelines, comprising (i) Guideline 1 - International Frameworks; (ii) Guideline 2 - Pest Risk Analysis; (iii) Guideline 3 - Food Safety Risk Assessment; and (iv) Guideline 4 - Animal Import Risk Analysis. [A series of 16 interactive e-learning modules](#)—following the ASEAN SPS Guidelines made available to the public through the AANZFTA website.

Linkages with the AANZFTA Agreement and ASEAN Priorities

The project was crucial to assist AANZFTA Parties in implementing coherent SPS measures in line with international standards. This endeavour has directly contributed to the objectives of the AANZFTA Agreement and the overall ambitions of the ASEAN Economic Community (AEC) Blueprint 2025 and the *Vision and Strategic Plan for ASEAN Cooperation in Food, Agriculture, and Forestry* (2016-2025).

Alignment with AANZFTA Objectives

The AANZFTA Agreement seeks to deepen economic integration between Parties through trade facilitation and capacity building. This project contributed to implementing Chapter Five of the AANZFTA Agreement on 'Sanitary and Phytosanitary Measures'. Specifically, the first objective to enhance understanding and recommend solutions for the challenges encountered by AMS in developing national SPS standards are a necessary precondition for successful implementation of Chapter Five of the AANZFTA. Equally important was the second objective of this project, to develop a regional guideline to assist AMS in their practical implementation of international standards related to SPS measures. Developing a practical and implementable guideline will allow AMS to align their SPS regimes, ultimately contributing to achieving the successful implementation of the AANZFTA.

Alignment with AECSP Objectives

The high-level objectives of the AANZFTA Economic Cooperation Support Programme (AECSP) are to ensure that (a) the full benefits of the AANZFTA are realised, and (b) to support the ASEAN Secretariat servicing the FTA Joint Committee and to assist the Parties in the implementation of the AANZFTA. This project aligns with the AECSP objectives, setting a vital step towards implementing the 'Sanitary and Phytosanitary Measures' Chapter of the AANZFTA Agreement. Specifically, the project sought to enhance the operationalisation, AMS economic integration, and utilisation of the AANZFTA in the agri-food sector. Through the Review Report and the ASEAN SPS Guidelines, the project has provided AMS with the tools to minimise trade barriers, increase trade flows, and ultimately achieve the objectives of the AANZFTA.



Alignment with AEC Objectives

Broadly, the ASEAN Economic Community Blueprint 2025 is a strategic plan from 2016 to 2025 that supports ASEAN's regional economic integration agenda. The ASEAN Regional Guidelines align with high-level AEC Blueprint priorities. In terms of economic integration, this project has provided AMS with the means to pursue greater economic

integration by eliminating non-tariff barriers in the form of varying and unevenly implemented SPS measures. Through implementing the Regional Guidelines, Parties can achieve regulatory coherence on SPS measures, which can help eliminate non-tariff barriers to trade in agri-food products.



The project contributes to the broader AEC objectives in particular, Highly Integrated and Cohesive Economy (Trade Facilitation and Trade in Goods) and Integration with the Global Economy. This contributes to harmonisation across AANZFTA Parties and facilitates trade in agricultural goods among AANZFTA, within ASEAN and within the global economy.

*Dr Ilona Catherine Stobutzki, Minister Counsellor – Agriculture
South-East Asia and Australian Co-Chair AANZFTA SPS Subcommittee, 2016 – 2020*

Key Project Outcomes

Identified Challenges to the Successful Implementation of the SPS Agreement

As a part of Phase One, the project identified and assessed the challenges faced by AMS in developing SPS measures in line with international standards and the WTO SPS Agreement. As per the Review Report, there were seven specific challenges to the implementation of the WTO

SPS Agreement falling broadly into two categories: (i) limited capacities of AMS to carry out the tasks to trade following the SPS Agreement and associated standards and guidelines; and (ii) difficulties in developing and maintaining SPS-related policies and regulations. Identifying the key challenges facing AMS was the first step in developing practical tools to address knowledge gaps and implement the SPS Agreement and Chapter Five of the AANZFTA.



Strengthened and Improved AMS Capacities on SPS

Key to the successful delivery of the project was the development of a set of SPS guidelines for AMS. These guidelines were designed to provide AMS with the knowledge to develop national SPS standards based on international standards and guidelines, including the International Plant Protection Convention, the World Animal Health Organisation, and the Codex Alimentarius, and a regional guideline to assist AMS in their practical implementation of international standards related to SPS measures. Ultimately, the project's goal was to enable AMS to implement SPS measures conducive to the full implementation of Chapter Five of the AANZFTA. Through the Guidelines, the project was able to do so successfully.



The Project has helped stakeholders and authorities understand why SPS Measures are important in order to facilitate trade while making sure of plant health, animal health, and human safety. From our point of view, it has helped ASEAN countries as a whole to understand more on SPS Measures and how to implement international standards related to SPS Measures.

*Sahjarathudor Nurul Maha'ani binti Mohd Aiani, Assistant Veterinary Officer,
Department of Agriculture and Agrifood,
Brunei Darussalam*

Developed a Practical Training Tool

Developing the ASEAN Regional Guidelines for the Implementation of International Standards Related to SPS Measures was insufficient to ensure AMS could implement the measures meaningfully. To maximise the project's impact, the consultants developed the 16 E-Learning Modules developed during Phase II of the Project, a valuable resource for AMS. The modules focus on the basic principles of the SPS Agreement and risk analysis in animal health, plant health, and food safety. Designed to maximise uptake and be interactive to stimulate knowledge retention, the E-Learning Modules are vital tools for SPS-related capacity building and knowledge sharing. The modules expand the project's reach beyond direct participants and ensure that the information remains available for future officials.



Essentially, SPS hadn't been implemented well across much of the ASEAN region, with some notable exceptions. Some training was required – there were some training resources out there that could have been used. Still, nothing was specific to ASEAN, and that lower level of capacity is evident in some AMS. The rationale of the project was to meet that unmet demand for some practical training resources. And what came out of it was training resources for each of their key areas of the SPS Agreement – food

**safety, animal trade safety,
and plant trade safety.
Having the right sort of
training tool developed
– software available for
stakeholders to download
was useful.**

*Brendan Cowled, Executive Director,
Ausvet*

Facilitating Trade and Economic Integration Amongst AANZFTA Parties

The ASEAN Regional Guidelines for the Implementation of International Standards Related to SPS Measures bring AMS up to international standards on SPS matters. But equally important is that with the guidelines, AMS now has a shared SPS framework that will help boost trade between AANZFTA Parties and beyond economic integration. As SPS measures, especially when such measures are not compatible, can function as Non-Tariff Barriers to trade, regulatory coherence among AMS is a step toward greater integration that facilitates trade. Specifically, the shared guidelines will act as a vehicle for the operationalisation, economic integration, and business utilisation of the AANZFTA in the agricultural sector. This will help to achieve high-level ASEAN goals and meet AANZFTA implementation objectives.



The Project's objectives supported the broader objectives of the ASEAN Economic Community 2025 by helping enhance AMS capability in aligning more with international standards, guidelines and recommendations. Alignment of SPS Measures with international standards, guidelines, and recommendations facilitates regulatory harmonisation within the ASEAN region which fosters the seamless movement of goods, enhances trade networks, and increases the cohesiveness of ASEAN market."

*Dr Ilona Catherine Stobutzki, Minister
Counsellor – Agriculture, South-East
Asia and Australian Co-Chair AANZFTA
SPS Subcommittee Sub-Committee on
Sanitary and Phytosanitary Measures,
2016 – 2020*

Country Case Studies

Indonesia

Five central government bodies manage Indonesia's food safety, animal, and plant health regime: the Indonesian Agricultural Quarantine Agency, the Directorate-General of Livestock and Animal Health, the Directorate-General of Horticulture, the Fish Quarantine and Inspection Agency, and the National Agency for Drug and Food Control.

Indicating a high level of government buy-in, Indonesia has made significant investments in animal surveillance and laboratory diagnostics over recent years. This includes the iSIKHNAS animal health information system developed to improve animal disease surveillance and emergency disease preparedness. Despite this high government buy-in, Indonesia still faced challenges in implementing best practices on SPS measures, as comprehension of the regulations remained a challenge.

Capitalising on the Indonesian government's commitment to improving SPS compliance, the project made meaningful strides towards implementing the SPS Agreement and Chapter Five of the AANZFTA. Specifically, the project activities included workshop training on several vital plant and animal health-related topics: (i) Training on animal risk analysis; (ii) Identification of *Colletotrichum*; (iii) Fruit fly identification; (iv) Developing a National Pest Diagnostic Network; and (v) Designating a Diagnostic and Biosecurity Specialist.

The project further helped deepen understanding of the SPS Agreement and international standards, contributing to Indonesia's overall implementation of SPS measures. Through the e-Learning Modules and workshops, Indonesia built the capacity to implement and maintain SPS measures according to international standards. Specifically, the project contributed to:

1. Deepening understanding of SPS Agreement Articles: a) Article 4 - Equivalence; b) Article 5 - Risk Assessment and Determination of Appropriate Level of SPS Protection; c) Article 6 - Adaption to Regional Conditions; d) Article 7 - Transparency; and e) Article 8 - Control, Inspection and Approval Procedures.

2. Deepening understanding of international standards, guidelines, and recommendations such as IPPC, OIE, and Codex.
3. Workshops on e-Learning modules, transparency relating to the National Notification Authority and National Enquiry Point, implementing e-Certification Mechanisms, and the implementation of Control, Inspection, and Approval Procedures.

Malaysia

Malaysia's food safety, animal health, and plant health regime is managed by the Ministry of Agriculture and Food Industry and the Ministry of Health based on their legal jurisdictions. In general, Malaysia already applied international and regional standards for SPS-related matters. While demonstrating a solid institutional framework for SPS measures, Malaysia also experienced difficulties in implementing international standards in some areas due to limited resources and capacity, challenges in recognising equivalency of standards in imported foods, and challenges in monitoring plant health due to lack of capacity.

As such, the capacity-building efforts related to the project were instrumental to the prioritisation and implementation of international SPS standards and guidelines such as IPPC, OIE, and Codex. The project contributed to Malaysia's increased ability to identify challenges in enacting SPS measures according to these international standards.

Ensuring the competency of government officials is a continuous process. The movement of officials resulted in a new set of people was among frequent challenges in many countries. The training module, which includes a fair amount of information and reference to available tools, benefits primarily in understanding the framework of WTO and its SPS-related organisations and planning, developing, and implementing SPS measures. Private sectors also can benefit from the guidelines and understand the SPS measures taken by government agencies, the obligations to international trade agreements under WTO, and the objective of SPS measures to protect human health while ensuring fair trade. This can result in improved communication and better implementation of SPS measures at the national level.

In particular, the SPS training modules contributed to increased awareness of the topic by Department of Agriculture Officers and engagement with the private sector and general public on import requirements. With the

help of the ASEAN Regional Guidelines, Malaysia was able to draft import requirements on plant health aligned with international standards.



The Project increased competencies for NPPO officers helping to achieve more effective negotiations with importing countries and appropriate application of SPS measures according to international standards. The project also increased engagement with the private sector. By understanding the basic principles of the SPS Agreement with more depth, NPPOs are better able to draft import requirements which are aligned with international standards.

Rozilawati binti Mohd Azman, Principal Assistant Director, Department of Agriculture, Malaysia

Thailand

In Thailand, the responsibility for SPS measures is shared amongst the National Bureau of Agricultural Commodity and Food Standards; Department of Agriculture (plant health); Department of Livestock Development; the Department of Fisheries; and the Food and Drug Administration. Historically, coordination and cooperation amongst these SPS agencies was a challenge but improved with renewed government prioritisation of plant health, animal health, and food safety.

Before participating in the project, the SPS system in Thailand was already well developed, and the country has implemented SPS regulations and policies primarily based on international standards. These have made Thailand a major agri-food exporter. That said, trading partners have contended that some SPS controls in Thailand were not risk-based or based on the principle of equivalence. Despite having a high technical capacity, Thailand still faced issues recognising test results and certificates by trading partners, including within ASEAN.

The capacity-building activities and consultations undertaken in this project helped ASEAN officials, including Thailand, understand the obligations and best practices in implementing the SPS Agreement and the international standards of the IPPC, OIE, and Codex more effectively. The exchange of information and experiences amongst AMS has been regarded as beneficial in helping Thailand develop more streamlined SPS measures and improve its overall implementation.

Thailand also recognised that there remains scope in strengthening the advocacy efforts to raise businesses' awareness and compliance with the national standards. The ASEAN Regional Guidelines and the e-learning modules are appreciable online resources for competent officials and other important stakeholders, such as producers and consumers, to augment their knowledge in these crucial areas related to SPS.

With the ASEAN Regional Guidelines, AMS are powered to enact complementary and standardised SPS measures. Thai importers and exporters of agricultural products are also

set to benefit significantly as their regional trading partners level up their compliance with international SPS standards.



What we learned and gained from attending the workshop(s) including from the project consultants was very useful. During phase one, we were exchanging opinions and experiences as well as clarified on some points received by consultants and the other participants in the group which contributed to a better understanding – especially sharing experiences with other members with more experience were considered a crucial one. We’ve learned and brought home both knowledge and resources, using these to improve the implementation of SPS and food safety standards.

Kulwadee Wiwatsawatdinon, Director of International Policy Section IV, Division of Agricultural Commodity and Food Standards Policy, National Bureau of Agricultural Commodity and Food Standards, Ministry of Agriculture and Cooperatives, Thailand

Success Factors

High Levels of Buy-in and Support

Contributing to this project's success was the high level of buy-in and support from ASEAN and AANZFTA bodies. This was key to mitigating the risks inherent to the project, such as limited participation from AMS or delays in the approvals necessary to complete the project. The project required collaboration between several international organisations, such as the IPPC, OIE, and Codex, and ASEAN competent authorities and AANZFTA bodies. As a result, the high-level buy-in was a prerequisite for completing the project outputs to ensure that relevant stakeholders solicited sufficient inputs. As such, the cooperation and contributions of the ASCP, AMAF, ASEAN Secretariat (FAFD and ASU), and other bodies contributed to the project's success.

Aiding the project's success was the overall congruence between the project objectives and high-level objectives

of the AANZFTA Agreement and the AEC sectoral strategy related to SPS. As pointed in the preceding sections, regulatory coherence amongst AMS on SPS measures stands to reduce non-tariff trade barriers, boost economic integration, and stimulate economic growth. Developing the ASEAN Regional Guidelines for the Implementation of International Standards Related to SPS Measures is a major toward achieving this goal.

Simple and Widely-Accessible Training Tool

The 16 e-learning modules are high-quality and reflect a sound understanding of the SPS Agreement and international standards. The e-learning modules were designed to be interactive, engaging, and self-explanatory.

Also, the modules follow the Guidelines and are concise and written in plain English to help ensure accessibility for a broad audience. The combination of using appropriate technology and deliberate tailoring to ASEAN audiences can stimulate uptake and knowledge retention and sustain the project outcomes. These e-learning modules are a welcome addition to the available online resources and are much appreciated by AMS.

Gender Inclusive Approach

The project encouraged the participation of women in workshop and email consultations through a gender-neutral approach. Of the 66 participants attending both workshops, 43 (65%) were female. The project ensured inclusion by communicating and engaging all stakeholders to partake in all project activities.

ANTA E-Learning Module

Welcome to

E-learning Modules for ASEAN Regional Guideline for the Implementation of International Standards related to SPS Measures

Below are the e-learning modules for the ASEAN Regional Guidelines for the Implementation of International Standards related to SPS Measures:

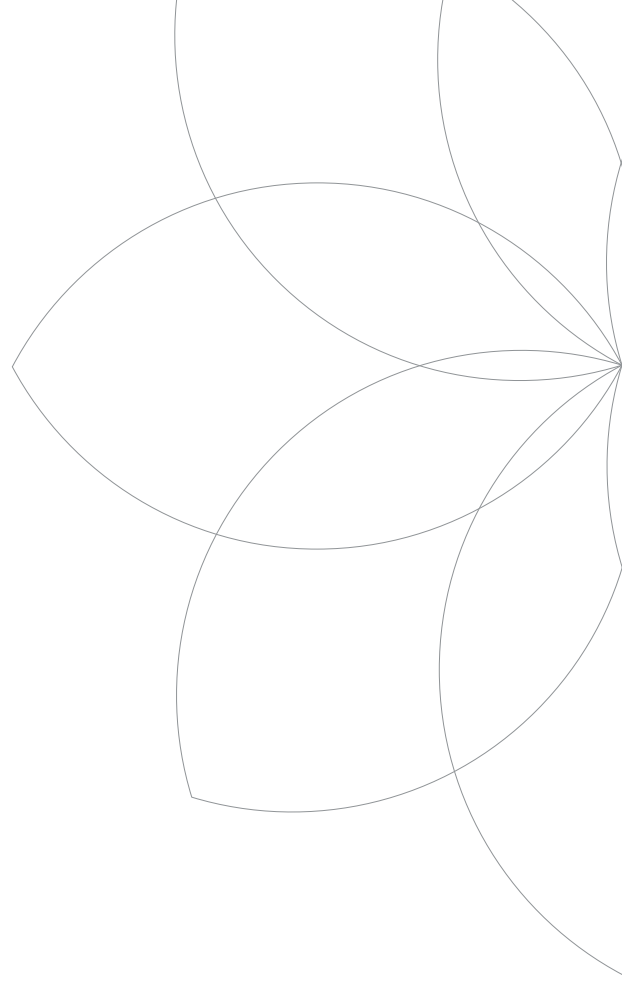
Search modules... Search

- Guideline 1: International Frameworks ✓
- Guideline 2: Pest Risk Analysis ✓
- Guideline 3: Food Safety Risk Assessment ✓
- Guideline 4: Animal Import Risk Analysis ✓

E-learning Modules for ASEAN Regional Guideline for the Implementation of International Standards related to SPS Measures

Conclusion

Implementation of coherent SPS measures based on international standards is foremost in fostering regional economic integration and trade amongst AANZFTA Parties. The findings of this case study demonstrate the vital contribution of the project in assisting ASEAN competent authorities to understand better and implement international standards related to SPS measures. The ASEAN Member States have highly valued support activities under this project. Further, the project contributed to supporting the implementation of the SPS Chapter of the AANZFTA Agreement and ASEAN sectoral priorities in building the ASEAN Economic Community that is highly integrated and competitive with enhanced cooperation. The case study further demonstrates the need for all Parties to sustain their efforts to apply the ASEAN Regional Guidelines and optimise available resources to strengthen their SPS regimes—contributing to boosting regional trade and advancing economic integration further amongst AANZFTA Parties.



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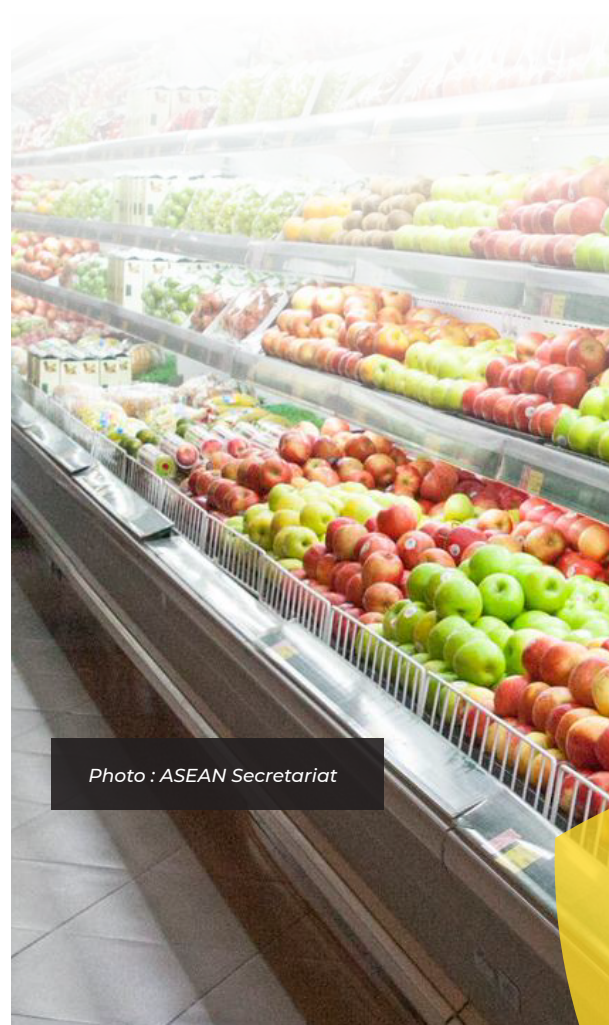


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