



Agricultural solutions to end hunger and poverty.

Study on Mutual Recognition Models for the ASEAN Agricultural Best Practices

Final Report

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List of Acronyms

AADCP II	ASEAN Australia Development Cooperation Partnership II
AB	Accreditation Body
ACA	Accredited Certifying Agent
ACCSQ	ASEAN Consultative Committee on Standards and Quality
ACCSTP	ASEAN Common Competency Standards for Tourism Professionals
AEC	ASEAN Economic Community
AHEEERR	ASEAN Harmonized Electrical and Electronic Equipment Regulatory Regime
ALOP	Appropriate Level of Protection
AMAF	ASEAN Ministers of Agriculture and Forestry
AMC	Approved Modified Checklist
AMS	ASEAN Member States
ANZFA	Australia-New Zealand Food Authority
APEC	Asia Pacific Economic Cooperation
ASEAN	Association of South East Asian Nation
ASWG	ASEAN Sector Working Group
ATPMC	ASEAN Tourism Professional Monitoring Committee
ATPRS	ASEAN Tourism Professionals Registration System
ATQEM	ASEAN Tourism Qualifications Equivalency Matrix
BCA	Board for Conformity Assessment
CAB	Conformity Assessment Body
CAC	Codex Alimentarius Commission
CATC	Common ASEAN Tourism Curriculum
CB	Certification Body
CBA	Competency-based Assessment
CCC	China Compulsory Certification
CJRF	Cross-Jurisdictional Review Forum
DB	Designating Body
EU	European Union
EWG	Expert Working Group
GABSC	GCC Accreditation Body Steering Committee
GAC	Gulf Accreditation Center
GAP	Good Agriculture Practices
GAHP	Good Animal Husbandry Practices
GAqP	Good Aquaculture Practices
GCC	Gulf Cooperation Council
GMP	Good Manufacturing Practice
HACCP	Hazard Analysis and Critical Control Points
IAF	International Accreditation Forum
ILAC	International Laboratory Accreditation Cooperation
IPPC	International Plant Protection Convention
ISO	International Standards Organization
JM	Joint Meeting
JSC	Joint Sectoral Committee
MAMRASCA	Multilateral Arrangement for the Mutual Recognition of Agri-food Standards and Conformity Assessment
MARCA	Multilateral Arrangement on Recognition of Conformity Assessment
MLA	Multilateral Recognition Arrangement/Agreement

MRA	Mutual Recognition Arrangement/Agreement
MRA-TP	ASEAN Mutual Recognition Arrangement on Tourism Professionals
NAB	National Accreditation Body
NDRA	National Drug Regulatory Authority
NTPB	National Tourism Professional Board
NTB	Non-Tariff Barrier to Trade
OIE	World Organization for Animal Health/Organization International Epizootic
PAC	Pacific Accreditation Cooperation
PFPWG	ASEAN Prepared Foodstuff Product Working Group
RCAS	Regional Conformity Assessment Scheme
RTA	Regional Trade Agreement
SAARC	South Asian Association for Regional Cooperation
SARSO	South Asian Regional Standards Organization
SCAC	Sectoral Conformity Assessment Committees
SME	Small and Medium Sized Enterprises
SPS	Sanitary and Phytosanitary Standards
TC	Technical Committee
TBT	Technical Barriers to Trade
TPCB	Tourism Professionals Certification Board
TTMRA	Trans-Tasman Mutual Recognition Arrangement
USDA	United States Department of Agriculture
WTO	World Trade Organization

Abstract

Rationale for the Study:

As ASEAN member states (AMS) move toward full realization of the ASEAN Economic Community (AEC), there is a need to promote intra-regional trade of agri-food products by improving food safety and sector competitiveness. One barrier to achieving this objective is the existence of at least 10 different national standards and conformity assessment systems for agri-food products across the 10 AMS. These quality assurance inconsistencies across borders create a great deal of uncertainty for buyers, effectively limiting their demand for agri-food products from within the region.

To address these differences the ASEAN Ministers of Agriculture and Forestry (AMAF) have endorsed the ASEAN Agricultural Best Practices, including good agricultural practices (GAP) for fruits/vegetables, good aquaculture practices (GAqP) for food fish, and good animal husbandry practices (GAHP) for poultry products including broilers and layers. These ASEAN Standards are designed to serve as a basis for determining equivalence of different existing national standards, or as a blueprint to be adopted for those AMS currently without national standards systems in place.

While the ASEAN Standards have been written and endorsed, there remains a need to practically implement them at the regional and national levels in a way that will increase confidence and demand from buyers, promote uptake at the farm level, and foster appropriate levels of protection between trade partners. The ASEAN Secretariat (ASEC), with support from the ASEAN Australia Development Cooperation Program Phase II (AADCP II), has engaged Fintrac, Inc. as a consultant to undertake this study to recommend a model for mutual recognition of agri-food standards.

Methodology:

To arrive at a recommended model for mutual recognition of agri-food standards, the study undertook a regional consultation-based, iterative process designed to seek consensus from AMS delegates. The following lays out the primary steps and activities undertaken during the assignment:

- Review of best practice in agrifood standards and conformity assessment systems,
- Review of existing MRA models across ASEAN and globally,
- Rapid remote survey of existing AMS national standards administration systems,
- Private sector agrifood market survey to gauge commercial interest and support for a MRA
- Three regional consultations with AMS delegates to present and deliberate model options
- Iterative revisions of model recommendations based on AMS delegate feedback from five initial options, to two options, and finally to one model.

Key Findings from the AMS National Standards Administration Survey

The consultant team conducted a rapid remote survey of competent authorities to gather background information on existing national agri-food standards systems across AMS. The survey revealed that all national standards systems in place are administered by government bodies, and are voluntary, rather than compulsory. Various differences are apparent in administrative structure and conformity assessment procedures. Less developed AMS currently lack the financial resources and institutional capacity to administer a regionally or globally recognized agri-food standards system. Producer certification data suggests that most of the national standards systems operating across AMS suffer from relatively low uptake overall. Producer incentives to comply with the standards depend on buyer specifications and requirements. Therefore it is apparent that if buyers do not demand the standards, it is unlikely that producers will adopt the standards.

Key Findings from the Private Sector Market Survey

A survey of buy-side companies and strategic private sector representatives across the region was conducted to determine awareness, perceptions, and willingness to embrace the ASEAN Standards. Results suggest low buyer awareness of the ASEAN Standards, and unfamiliarity with the level of protection provided relative to international standards. A vast majority of buyers see the implementation of a MRA for standards across AMS as a positive development for their business interests. The private sector was clear in their view that an ASEAN MRA for agri-food standards should be viewed as a positive development for local producers and food industries as it may facilitate production level upgrading, and availability of safe food for consumers. Several private sector representatives expressed a willingness to engage in the design and implementation of an ASEAN agri-food MRA. Integrating private sector views into MRA implementation can be a valuable step toward market adoption of the ASEAN Standards.

Key findings from the Consultative Workshops

During the first consultative workshop in Jakarta (August, 2016), five initial MRA models were presented for AMS consideration. AMS representatives expressed a strong preference for a model focused on both standards alignment and CAB recognition, and requested revised options integrating considerations of AMS readiness and private sector participation. During the second consultative workshop in Bangkok (December, 2016), two revised MRA options were presented for AMS consideration. With standards alignment and CAB recognition as a foundation, two optional elements included phased participation based on AMS readiness, and formal private sector involvement. AMS representatives were unambiguous in their support for an “unconditional plurilateral” approach to AMS accession, and private sector engagement through an observer role. During the third and final consultative workshop in Jakarta (March, 2017), a single final model was presented, reflecting the feedback received from AMS delegates during the first two workshops. AMS delegates expressed strong support for the final model, suggesting that it addresses key priorities and concerns, and represents the best opportunity to achieve a consensus.

Preferred/Recommended MRA Model

The Multilateral Arrangement for the Mutual Recognition of Agri-food Standards and Conformity Assessment (MAMRASCA) covers all three existing ASEAN agri-food standards, with flexibility for adoption of further agri-food standards. The institutional mechanisms required to implement the MRA include: a Joint Sectoral Committee (JSC) responsible for overall management of MRA implementation; three sector-specific technical committees (TCs) and national level Designating Bodies (DBs) to identify and monitor national CABs. Relevant private sector representatives may be invited to engage in the MRA as observers on TCs. All AMS sign the arrangement and participate in its institutions from the outset. AMS may increase participation in the MRA on a phased basis according to their ability to meet two technical milestones – existing national standards will be aligned with the ASEAN Standards according to an alignment assessment process; and national CABs will meet relevant ISO standards.

Way Forward

To maintain the positive momentum with AMS representatives and private sector stakeholders following this model design study, the establishment of a MRA Task Force is recommended to drive and administer preparation of the MRA. The Task Force would be a pre-signature platform focused on drafting, deliberating, and revising specific MRA text through a consultative process. The Task Force would also conduct a Needs Assessment in CLMV to determine the specific capacity building/resource requirements, and anticipated timeline to meet technical Milestones 1 & 2. The Task Force would be made up of technical representatives from each AMS including relevant government agencies and regulatory bodies representing the target agri-food sectors. The focal points should have good technical background on the certification of agricultural products, standards and MRA process. The MRA Task Force will be dissolved once the final MRA text is agreed/signed, after which the JSC and TCs will drive implementation.

I. Introduction

This final draft report analyzes existing models for mutual recognition, reviews good practices internationally, assesses current standards administration practice across AMS, shares findings from a private sector market survey, and incorporates feedback received from AMS representatives during Consultative Workshop #1 in Jakarta (August 2016) and Consultative Workshop #2 in Bangkok (December 2016) and Workshop #3 in Jakarta (March 2017). Based on the consultant team's analysis, and AMS representative preferences, this final draft report provides a revised MRA model recommendation that is considered to be the most likely model to achieve a consensus across the ten AMS. Additionally, a detailed three-year work plan to implement the recommended model is presented.

1.1 Basic Principles of Regulatory Cooperation

Regulatory differences across countries increase transaction costs and limit trade. Regulatory cooperation between countries presents significant opportunity to reduce non-tariff barriers to trade (NTBs). The harmonization, equivalence, and mutual recognition of standards and/or conformity assessment procedures between trade partners are forms of regulatory cooperation that can remove NTBs and facilitate increased flows of goods bi-laterally, regionally, and/or extra-regionally.

Although the practical application of each of these forms of cooperation may vary, the primary objective shared by each is to streamline compliance requirements at the farm level, firm level, and ports of trade (e.g. certification, accreditation, testing, inspection) while maintaining appropriate protections for human, animal, and environmental concerns. Where process standards are concerned, compliance requirements are addressed only at the farm and/or firm level – not at the border crossing.

There are several key terms and working definitions provided by the literature that may support a shared understanding of regulatory cooperation as it relates to developing a mutual recognition model for the ASEAN Agricultural Best Practices:

Standards: Guidelines and characteristics for products or processes which have been approved by a recognized body¹, which are generally voluntary, and which reflect market demands and/or consumer preferences.² Standards are generally only mandatory where they are part of a code, rule, or regulation imposed by government. Importantly, if a government regulation references voluntary standards, then the standards are effectively mandatory.³

Conformity Assessment Procedures: Involves the process that ensures a product satisfies the specifications laid out in the standard, including testing (conducted by a capable laboratory), inspection (independently conducted), certification (official written confirmation that a product conforms to particular standards), and accreditation (evaluating and formally recognizing the laboratories, certification, and inspection bodies).⁴

Harmonization: The uniformity of rules across trade partners' regulatory systems (e.g. the written standards and/or conformity assessment procedures are the same). Some literature considers harmonization difficult to accomplish and less responsive to change.⁵

¹ WTO, "Agreement on Technical Barriers to Trade"

² Brenton, P. "Standards, Conformity Assessment and Trade: Modernization for Market Access". The World Bank, Washington DC. 2004

³ <http://www.nist.gov/standardsgov/definestandards.cfm>

⁴ Wilson, John S. "Standards and APEC: An Action Agenda, Institute for International Economics".

⁵ Sykes, Alan. "The (Limited) Role of Regulatory Harmonization in International Goods and Services Markets", Journal of International Economic Law, Vol.2, Issue 1. 1999.

Equivalence: The Codex Alimentarius Commission defines equivalence as the capability of different standards and conformity assessment procedures to meet the same regulatory objectives⁶ including for example product quality, consumer health, animal welfare, worker safety, and environmental sustainability. Agreements between trade partners involve assessments to determine the similarities, differences, and potential compatibility of different standards and/or conformity assessment procedures utilized.

Mutual Recognition: The principle of mutual recognition involves an agreement/arrangement between countries to recognize (accept) the differences in the standards and/or conformity assessment procedures employed by a trade partner. Mutual recognition can involve a range of elements to ensure compliance with standards and/or procedures, which may or may not utilize an equivalence assessment.⁷

1.2 The Interdependence of Standards and Conformity Assessment Procedures

It is important to recognize that the principles of harmonization, equivalence, and mutual recognition are not necessarily exclusive and can in fact be complementary in practice. For instance, an arrangement could include the production of goods according to different albeit equivalent standards, while mutually recognizing trade partners' conformity assessment procedures.

As this example illustrates, recognition models for conformity assessment systems are generally identified as encompassing two separate but interdependent considerations: the standards and the conformity assessment procedures. Harmonized or equivalent standards will only translate into increased market access if trading partners recognize one another's conformity assessment procedures (or the assessment bodies themselves). Similarly, if different written standards are determined to be equivalent, then it is critical to also recognize the credibility of the conformity assessment bodies assessing compliance.

The World Bank has identified the various coordinated approaches countries could take towards the upgrading of standards, and the recognition of conformity assessment procedures, and conclude that the path a country takes depends to a great degree on the sophistication of the trade agreement a country has with its partners. The cooperation approach seeks standards compatibility at a minimum when faced with low levels of enforcement capacity, while the Regional Trade Agreement (RTA) approach seeks regional standards harmonization between members where there is a higher level of institutional formality and enforcement.⁸ To facilitate the recognition of conformity assessment procedures, the World Bank recommends transparent criteria to determine when procedures are considered comparable.

1.3 The Importance of Institutional Capacity

A central goal for regulatory cooperation is to ensure different standards and/or different conformity assessment procedures can achieve the same protections for human, animal/plant, and environmental concerns. The World Trade Organization Agreement on Sanitary and Phytosanitary Measures (SPS Agreement) refers to this determination as an "Appropriate Level of Protection." A critical question in determining if an appropriate level of protection can be provided is whether a trade partner possesses the institutional capacity to ensure compliance with written standards.

Therefore, the success of an MRA will be determined to a great extent by "comparable levels of technical infrastructure between parties".⁹ The disparity between infrastructure and institutional capacity across trading partners often necessitates the upgrading of certification, accreditation, testing, and inspection

⁶ Codex Alimentarius Commission, CAC/GL 26-1997

⁷ Veggeland, F., and Elvestad C. "Equivalence and Mutual Recognition in Trade Arrangements: Relevance for the WTO and the Codex Alimentarius Commission". Norwegian Agricultural Economics Research Institute. 2004.

⁸ Aldaz-Carroll, E. (2006). "Regional Approaches to Better Standards Systems". World Bank Policy Research Working Paper 3948

⁹ Veggeland, F., and Elvestad C. "Equivalence and Mutual Recognition in Trade Arrangements: Relevance for the WTO and the Codex Alimentarius Commission". Norwegian Agricultural Economics Research Institute. 2004.

capacity to comparable levels before trade partners will accept/recognize their conformity assessment procedures. Alternatively, where an RTA is present, and national upgrading is a considerable challenge, establishing accredited regional service providers (whether these are public sector or private sector) for testing, inspection, and certification may also eliminate the need for conformity assessment procedures at both export and import.¹⁰

¹⁰ Aldaz-Carroll, E. (2006). “Regional Approaches to Better Standards Systems”. World Bank Policy Research Working Paper 3948

2. Overview of Good Practice for Agri-Food Standards and Conformity Assessment Systems

2.1 Food Safety Regulations and Standards

The term standards generally refers to a set of guidelines or rules related to the production process of a product, or the product itself. When reviewing good practice for standards systems, it is important to recognize:

- *Government (Public) Regulations: usually mandatory, and may contain or reference standards.*
- *Government (Public) Standards: usually voluntary.*
- *Private Standards: always voluntary, although may or may not be based on legal requirements. While the private standards would be voluntary, the legal requirements are mandatory.*
- *Commercial Standards: voluntary, but mandatory to supply a buyer requiring the standards be met.*

Government Public Regulations and Standards

Internationally, individual governments introduce and implement food safety legislation, which are mandatory standards, to protect their consumers from unsafe food. Government legislates that food which is sold must be safe to eat, (e.g. free from dangerous levels of microbes, chemicals, or physical contaminants) and it produces regulations stating how this must be achieved and any parameters to be met (e.g. how the legislation is to be implemented).

World Trade Organisation (WTO) members are allowed to set their own regulations to ensure food traded in their nation is safe food; however, in order to ensure regulations are not a means to restrict international trade, WTO members' regulations are required to comply with the Technical Barriers to Trade Agreement (TBT) – which covers all sectors of production – and the Sanitary and Phytosanitary (SPS) Agreement – which covers food safety and animal and plant health measures.

In order to avoid regulations being used as barriers to trade, WTO members are required to apply national SPS measures that are consistent with internationally developed and agreed standards, guidelines and recommendations. Known as the Three Sisters, the three standard setting organizations recognized by the WTO are:

- *Codex Alimentarius Commission (CAC) of the Food and Agricultural Organization (FAO) and the World Health Organization (WHO)*
- *International Plant Protection Convention (IPPC)*
- *World Organization for Animal Health/Organization International Epizootic (OIE).*

International standards are often more demanding than those applied in many countries, including both developed and developing countries, but the SPS Agreement explicitly permits governments to choose their own standards. However, the WTO also requires that countries' SPS measures be based on an appropriate risk assessment. If the national requirement results in trade restriction, a country may be required to provide scientific justification that the international standard would not achieve an appropriate level of protection.¹¹

Private Voluntary Standards

Private voluntary food safety standards are generally set by business networks and associations or by commercial organizations. Examples of private voluntary standards include:

¹¹ https://www.wto.org/english/tratop_e/sps_e/spsund_e.htm

International Organization for Standardization (ISO): Standards produced by the International Organization for Standardization (ISO) are written by groups of experts from all over the world, who are also members of larger technical committees. The groups of experts negotiate all aspects of a standard, including its scope, definitions, and content. ISO Food Safety standards are not mandatory, but by following the relevant standard, companies will be complying with international guidelines and national regulations on food safety. ISO develops standards for many different sectors, but for food safety management specifically, relevant ISO standards include:

- *ISO 22000:2005 – Food safety overall requirements*
- *ISO 22004:2005 – Guidelines for applying ISO 22000*
- *ISO/TS 22002-1:2009 – Specific prerequisites for food manufacturing*
- *ISO/TS 22002-3:2011 – Specific prerequisites for farming*
- *ISO/TS 22003:2007 – Guidelines for audit and certification bodies*
- *ISO 22005:2007 – Traceability in the feed and food chain*

GLOBALG.A.P.: GLOBALG.A.P. is a private organization formed by an association of European retailers. It develops and manages GAPs including food safety and environmental protection standards for primary food production. As legislation for food safety and competitiveness in international markets has increased over time,¹² complying with voluntary standards such as GLOBALG.A.P. has increased in importance for producers, processors and distributors. Producers implementing GLOBALG.A.P. do so voluntarily, but they will also be in compliance with EU food safety regulations and food production requirements. Producers who obtain certification by GLOBALG.A.P. enhance their opportunity to export products to the EU - although relevant EU product marketing (quality) standards also have to be met (see below, section on product standards). While some countries produce their own (public) voluntary GAP standards (e.g. ChinaGAP, KenyaGAP etc.) to improve food safety within their own countries, these standards can be benchmarked for equivalence against international standards such as GLOBALG.A.P. standards to ensure compliance with EU requirements for food production as well.

Ethical Standards: Other internationally operated agri-food standards cover specific social and environmental concerns that buyers may have, for example Fairtrade, Rainforest Alliance, the Roundtable on Sustainable Palm Oil, and organic production standards such as Soil Association, Demeter, and Naturland. Meeting and obtaining certification of ethical standard often enables a product to be labelled to indicate that it is in compliance with the standard, messaging a degree of assurance to the ethically driven consumer.

Commercial Standards: Private commercial food safety standards are often designed and administered by the buyer themselves, such as supermarkets. An example of a commercial standard led by a global supermarket is Tesco's Nurture (formerly Nature's Choice). These standards are commercially secret, and known only to the standard holder (Tesco), its suppliers, accreditation bodies, and certification bodies.

Product (Marketing/Quality) Standards: In addition to the requirement to meet food safety legislation, most countries, and especially buyers, require food to meet Product Standards (also referred to as Marketing Standards or Quality Standards). These standards cover the physical characteristics of products such as size/weight, uniformity of size and weight grading, required color, ripeness, flavor (e.g. minimum sugar/acid levels), freedom from pests and diseases, mechanical damage and soiling etc. Most marketing standards also specify required packaging type and labelling formats to ensure compliance with national/regional standards. National and regional marketing standards (e.g. USA, EU) exist for fruits and vegetables, animal products, fish, rice and other grains. In addition, the United Nations Economic

¹² http://www.GLOBALG.A.P..org/uk_en/who-we-are/

Commission for Europe lists around 50 different quality specifications.¹³ Codex Alimentarius also has an extensive list of standards for both processed and non-processed food products.¹⁴ In addition to assisting with compliance with national regulations, product standards facilitate market transactions, helping to minimize disputes between sellers and buyers, and prevent the importation or sale of poor quality foodstuffs. Importantly, most national, regional, and international standards are frequently lower than the standards/specifications implemented by major supermarket chains.

2.2 *Conformity Assessment Procedures— Accreditation, Certification, Testing, Inspection*

The ISO definition of Conformity Assessment is: “A set of processes that show a product, service or system meets the requirements of a standard.”¹⁵ For members of the WTO, conformity assessment for food safety is guided by the SPS agreement with respect to control, inspection and approval procedures for food production, including procedures for sampling and testing during production, and certification of producer’s conformity systems.¹⁶ Effective conformity assessment schemes ensure:

- *Compliance with National, Regional, International laws, regulations, etc.*
- *Compliance with international standards for food safety (e.g. Codex, ISO, OIE) – where these are incorporated into national legislation/regulations/ordinances, private standards etc.*
- *Compliance with commercial and industry food safety and quality standards, including HACCP, ISO22000, and ISO9000.*
- *Health, safety, or environmental conditions are met.*
- *Added confidence for consumers and other stakeholders, including major clients/buyers.*
- *A competitive edge for producers’ products.*

Conformity assessment is different than market inspection and surveillance, which includes “controls by the national market surveillance authorities after the product has been placed on the market.”¹⁷ Product conformity is assessed before it is placed on the market. A product’s conformity is the responsibility of the producer or manufacturer, whether legislation provides for a conformity assessment body or not.

The main forms of conformity assessment are testing, inspection and certification. In practice conformity assessment involves - at national, regional and international levels – “regulators, trade officials, testing laboratories, inspection bodies, product certification bodies, management system certification/registration bodies, personnel certification bodies, accreditation bodies, organizations providing declarations of conformity, and designers and administrators of conformity assessment systems and schemes, and users of conformity assessment.”¹⁸

The International Standards Organization has produced a standard ISO Guide 60:2004, which recommends good practices for all elements of conformity assessment, including normative documents, bodies, systems, schemes and results, and is designed to facilitate trade at the international, regional, national and sub-national level. As with other ISO standards, organizations can be audited and assessed against the standard, and certified to demonstrate the efficacy of their conformity assessment schemes.

If required by legislation or by a customer, a third party Conformity Assessment Body (CAB) - may be involved in the conformity assessment procedure. CABs perform one or more elements of conformity assessment, including: testing, certification and inspection. CABs can be private sector companies, non-

¹³ <http://www.unece.org/tradewelcome/steering-committee-on-trade-capacity-and-standards.html>

¹⁴ <http://www.fao.org/fao-who-codexalimentarius/standards/list-standards/en/>

¹⁵ <http://www.iso.org/iso/home/about/conformity-assessment.ht>

¹⁶ https://www.wto.org/english/tratop_e/sps_e/spsagr_e.htm

¹⁷ [http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52016XC0726\(02\)](http://eur-lex.europa.eu/legal-content/EN/ALL/?uri=CELEX:52016XC0726(02))

¹⁸ <https://www.iso.org/obp/ui/#iso:std:iso-iec:guide:60:ed-2:vl:en>

profit entities, government agencies, national standards bodies, trade associations, or consumer organizations. CABs may offer a wide range of services globally, or in a specific sector, or region.

Conformity assessments are generally conducted on the basis of a fee for service. Many countries have a competitive market for the provision of conformity assessments; however in some countries, government recognized CABs are provided monopolies via laws, regulations, or non-transparent procurement practices; thereby limiting their opportunities to be internationally recognized.

Accreditation

Accreditation is a specific conformity assessment activity involving independent third-party assessment of the ability of Certification Bodies (CBs) and other CABs (e.g. testing, inspection bodies) to audit a specified standard. Accreditation reduces risk for business and customers by assuring that CBs and CABs are competent to carry out the conformity assessment work they undertake¹⁹.

In addition to the need to accredit the Certification Bodies, laboratories will also need to be accredited to demonstrate their competence, and to be recognized by industry peers, customers, government etc. as practicing international best practice. The most commonly used standard for laboratory accreditation is the internationally recognized standard ISO 17025. Once a laboratory feels that it has implemented the requirements of the standard (and sometimes additional standards such as ISO 9000.9001 – a quality management standard), it may apply for accreditation from an appropriate accreditation body.

Obtaining accreditation requires the independent auditing of the CAB by assessment teams with expertise in disciplines such as management systems, and the technical field(s) in which the CAB operates. Accreditation teams are also required to work to recognized international standards, such as ISO 17011:2004, which provides the requirements for accreditation bodies to assess CABs. To ensure global recognition, accreditation bodies are audited against these standards through a peer evaluation process. To ensure objective auditing of the accreditation body, the assessment is also required to conform to an internationally recognized standard such as ISO 17040:2005, which covers the *requirements for peer assessment of accreditation bodies*.

To promote global recognition of their services, competent accreditation bodies around the world have formed international associations such as the International Accreditation Forum (IAF), and the International Laboratory Accreditation Cooperation (ILAC). IAF is an association of accreditation bodies formed to assure that members are competent, impartial, and reliable. Similarly, ILAC was formed to assure consistent and reliable accreditation of laboratories and inspection bodies.

Testing and Inspection

Government always has a responsibility for food safety. In many instances, this responsibility is effected via government food safety standards aligned with mandatory licensing of food handling premises, and inspection by state environmental health officers, or food inspection officers. Premises requiring licenses include food stores, supermarkets, restaurants, take away food suppliers, food manufacturers, farm grading and packing houses, etc. Government inspections however, frequently cover only the most basic food safety requirements. Larger food businesses – including exporters, importers, processors and large supermarket chains - have more complex food safety demands. Driven by their need to meet government legislation across complex, frequently international businesses, and motivated by the demands of their customers, large food sector businesses require their suppliers – including meat, fish, egg, dairy, fruit and vegetable producers - to demonstrate that they meet higher food safety standards.

¹⁹ <http://www.iaf.nu/>

National, international, or private voluntary standards lay down clear inspection (audit) procedures, and use independent CABs to carry out the inspection. According to international standards (ISO 17020) inspection bodies can be run by government, or private organizations. ISO identifies three types of inspection bodies:

- *Type A - provide third-party services and are expected to be independent of the other parties involved.*
- *Type B - provide first-party services to their parent body only.*
- *Type C - first-party inspection bodies providing inspection services to other organizations.²⁰*

The international standard for inspection bodies (ISO 17020) includes the following areas of importance:

- *Impartiality, independence and confidentiality.*
- *Structural, administrative, and organizational management requirements.*
- *Resource requirements: personnel, facilities and equipment, subcontracting.*
- *Process requirements: inspection methods/procedures, handling, records, reports, certificates, complaints and appeals.²¹*

Certification

Producer certification: In order to be certified against a specific standard a grower or producer is required to first implement all the requirements of the standard, including design and documentation of how all systems work, how processes will be implemented for named products, what measures have been implemented for food safety, what measures have been implemented for worker health/safety, and emergency procedures in case of non-conformities. They are then audited by an accredited CB to verify conformance with the standard.

For example, to audit fruit and vegetable producers against a GAP standard, a CB will assess the grower's work processes, inputs utilized seeds/planting materials, cultivation methods, plans for and implementation of irrigation, and the storage and use of plant protection products. A Hazard Analysis Critical Control Point (HACCP) plan is expected to have been implemented – highlighting potential dangers to food safety during the production process, and how those dangers will be avoided.

Other issues will include paying attention to staff hygiene on the farm, to be mindful of the safety of personnel, and the need to avoid causing damage to the environment, (including soil, water and air.) Systems/procedures will be required to ensure the traceability for all the produce grown, handed/graded/packed and marketed. These systems need to be in such detail that a retail pack of fruit/vegetables can be traced back to its point of production, with clear records of all the cultivation processes/treatments the product received (including irrigation, fertilizing, plant protection sprays etc.) to demonstrate that all processes have been carried out in accordance with the GAP standard.

If the CB determines that all the requirements of the standards have been met, then the producer will be awarded a certificate – usually valid for 1 year, stating that the named crop is produced in compliance with the stated standard. In the case of GLOBALG.A.P certification, the producer's name will be added to a database of certified producers – stating which of his/her products have been certified as being produced in accordance with GLOBALG.A.P. The database is accessible to GLOBALG.A.P members – including large, international supermarket buyers.

Obtaining certification against an internationally recognized standard is not a simple undertaking for a producer. Even the most capable producer may require technical farm-level training to meet the rigors of

²⁰ http://www.iso.org/sites/cascoregulators/01_3_conformity-assessment-bodies.html

²¹ *ibid*

a standard certification audit. In addition, the costs of meeting a standard can be extremely high – upgrading facilities, purchasing needed equipment, protective clothing for workers etc. – are all costs borne by the producer. The cost of certification, and the cost of the auditor(s) travel and hotel accommodation incurred in order to carry out the audit, is also often borne by the producer. As the standard certificate is usually valid for 1 year, producers will need to repeat the audit process and costs in subsequent years.

Group Certification: Even if smaller producers can finance the cost of upgrading their crop production methods, the cost of certification to a given standard is frequently way beyond their reach. Costs can however be reduced if small producers work together in groups, either in associations of producers, or as suppliers to one particular organization/buyer. This is certainly a challenging process, but one that is achieved by an increasing number of small producers each year, and should not be overlooked. Internationally recognized private voluntary standards systems, such as GlobalG.A.P. and the Roundtable on Sustainable Palm Oil increasingly provide group certification opportunities for small producers.

2.3 Institutional Requirements and Other Issues

Investments in food safety are often provided by the private sector, in particular farmers, processors and distributors – which means that the costs associated with compliance are eventually passed on to the consumer. However, government must also make substantial investments to provide an accommodating enabling environment for the private sector to operate and to protect consumers' health and safety interests. Public investments in food safety include, but are not limited to:

- *Providing farm-level training for all producers, to be affordable for very poor producers.*
- *Facilitating access to safe water (irrigation, cleaning/washing) for producers.*
- *Providing easily accessible, clearly understandable, and detailed information for producers, including via traditional media (TV and radio), digital media (internet or mobile phone), universities, agricultural colleges, specific farmer training courses, and farmer field schools.*
- *Participating in international/regional food standard-setting bodies and other fora to ensure standards take each country's conditions into account.*
- *Providing market inspectors to verify conformity with product (marketing/quality) standards.*
- *Strengthening food inspection services, (recruiting, training and managing necessary staff, providing equipment, transport etc.).*
- *Establishing a food safety inspectorate to monitor contamination in production/packing, markets, and importation.*
- *Upgrading laboratory capabilities by establishing well-equipped and well-staffed central laboratories, with an adequate number of satellite laboratories for routine checks.²²*

Laboratory Infrastructure Requirements

To conform with increased food safety legislation and standards requirements, producers and other agribusinesses require the services of a range of reliable laboratories including: chemical laboratories for pesticide residue analysis; microbial and entomological laboratories for plant health; microbial and entomological laboratories for animal health; laboratories for water and soil analysis.

Accredited testing laboratories may be owned and operated by government, or industry bodies, or they may be separate private organizations. In addition to establishing central laboratories, with satellite laboratories where needed, government is encouraged to actively support the private sector development

²² FAO: Public Investing in Food Security

of accredited private laboratories. Typical laboratory establishment costs vary according to the systems and analysis to be carried out, however basic requisites will include, but not be limited to:

- *Buildings designed to meet the requirements of ISO standard 17025 for laboratories.*
- *Well secured, well lit, temperature-controlled areas for analysis, with sufficient clean airflow.*
- *Drainage must ensure hazardous waste does not leach into the environment*
- *Effective, emergency electricity backup generator to preserve samples in refrigerators/freezers*
- *Sufficient and appropriate equipment available for sample analysis: weighing equipment, glassware / washing facilities, sterilization facilities, chillers, gas generators, hoods, refrigerators, freezers, hoods, lab shakers, centrifuges, microscopy, cell/molecular biology equipment (PCR machines, plate readers), general lab equipment (pipettors, microfuges, vortex), chemicals and reagents, computers, servers, printers and reference books.*
- *Available funding for personnel: experienced chemical analyst, microbiologist, or entomologist – depending on the type of laboratory), plus assistants, technicians and administrative staff.*
- *Available funding for staff training, maintenance of building and equipment, and for obtaining appropriate certifications/accreditation.* ²³

²³ <http://www.labmanager.com/lab-design-and-furnishings/2013/12/designing-labs-for-lean-operation#.V4T7k-Qlt48>

3. Overview of Existing ASEAN Guidelines

The ASEAN Secretariat, through its relevant Working Groups and Consultative Committees, in close consultation with AMS, has developed several guidelines related to regulatory cooperation in the areas of standards and conformity assessment systems for the food and non-food sectors. Below is an overview of the key components of the guidelines developed to date that provide an important foundation to build on for a mutual recognition model to promote the ASEAN Agricultural Best Practices.

3.1 ASEAN Policy Guidelines on Standards and Conformance

In preparation for the full realization of the ASEAN Economic Community (AEC), these guidelines were developed by the ASEAN Consultative Committee on Standards and Quality (ACCSQ) and adopted as final in 2005. The guidelines focus on the harmonization of standards and the implementation of appropriate conformity assessment systems for both food and non-food sectors. Several provisions provided in the guidelines are relevant to the establishment of a mutual recognition model for the ASEAN Agriculture Best Practices including:

- *Member countries should harmonize national standards with relevant international standards.*
- *Member countries should adopt conformity assessment procedures consistent with international standards.*
- *Member countries should develop and implement ASEAN sectoral MRAs, using the ASEAN Framework Agreement on Mutual Recognition Arrangements as the basis.*
- *Member countries should encourage cooperation amongst National Accreditation Bodies in ASEAN to facilitate the implementation of MRAs.*
- *Member countries should accept the results of conformity assessment produced by conformity assessment bodies designated by other member countries.*
- *Member countries shall ensure that all their national standards, technical regulations, and conformity assessment requirements are made publicly available prior to implementation.²⁴*

3.2 ASEAN Guidelines for the Design, Operation, Assessment, and Accreditation of Food Import and Export Inspection and Certification Systems

These guidelines were developed by the Prepared Foodstuff Product Working Group (PFPWG) under the ACCSQ, and endorsed in 2014. They are intended to provide guidance on conformity assessment system development and implementation across ASEAN member states. The guidelines were developed to assist member countries' competent authorities in the determination of equivalence of inspection and certification systems – not the equivalence of standards themselves – to achieve an appropriate level of protection for food trade. The guidelines are an adoption of Codex Alimentarius Commission CAC/GL 26-1997. Several provisions of the guidelines are relevant for the development of a mutual recognition model for the ASEAN Agricultural Best practices including:

- *Conformity assessment systems should be recognized as equivalent where it can be objectively demonstrated that there is an appropriate system for inspection and certification of food by the exporting country in accordance with these guidelines.*
- *For the determination of equivalence, governments should recognize that control methodologies can be different but achieve equivalent results.*
- *Controls on imported food and domestically produced foods should achieve the same level of protection.*
- *The exporting country should provide access to enable the inspection and certification systems to be examined and evaluated, on request of the food control authorities of the importing country.*

²⁴ ASEAN, “ASEAN Policy Guideline on Standards and Conformance”, August 2005

- *The application of equivalence may be in the form of agreements or letters of understanding established between governments either for inspection or certification of production areas, sectors or parts of sectors.*
- *Equivalence may also be established through the administration of a comprehensive agreement which would cover inspection and certification of all food commodity forms traded between two or more countries.*²⁵

The guidelines also lay out the necessary inspection and certification system infrastructure (including the necessary legislative framework, control operations, facilities, laboratories, and personnel), parameters for an effective certification system, accreditation, verification of inspection and certification systems, and transparency. Additionally, comprehensive guidelines are provided for conducting assessments of trade partner's conformity assessment systems.

3.3 ASEAN Guidelines for Accreditation and Conformity Assessment

The Working Group on Accreditation and Conformity Assessment (WGACA), established by the ACCSQ, developed these guidelines for the operation of accreditation and conformity assessment bodies across AMS to support the mutual recognition of test results and certifications. The guidelines were endorsed by the ACCSQ in 2015. The guidelines highlight the importance of the mutual recognition of conformity assessment results across AMS toward the realization of the AEC. There are several important provisions provided in the guidelines that should be drawn on to shape the development of a mutual recognition model for the ASEAN Agricultural Best Practices, including:

- *Each AMS shall either appoint a single National Accreditation Body (NAB) to be responsible for accreditation, or if there is no accreditation body within the AMS's territory, appoint a National Accreditation Focal Point (NAFP) with an overall mandate and responsibility for accreditation for purposes of mutual recognition arrangements in ASEAN.*
- *Where an AMS does not have a NAB or has a limited scope of accreditation services, conformity assessment bodies established in its territory may avail the services of accreditation bodies that are parties to APLAC MRA,²⁶ ILAC MRA,²⁷ PAC MLA,²⁸ or IAF MLA.²⁹*
- *Conformity assessment should be conducted to recognized standards, preferably to standards harmonized in ASEAN, international standards, national standards, or other transparent and objective criteria*
- *Conformity assessment bodies should demonstrate competence by adhering to international standards for conformity assessment bodies, including ISO/IEC 17020, ISO/IEC 17021, ISO/IEC 17024, ISO/IEC 17025 and ISO/IEC 17065.*
- *The acceptance and recognition of conformity assessment results prescribed in ASEAN MRAs and harmonized regulatory schemes should be based on accreditation by ASEAN NABs that are party to the relevant recognition arrangements of the APLAC MRA or the PAC MLA.*³⁰

In total, these guidelines lay out the criteria for the establishment of conformity assessment and accreditation bodies, and the basis for the acceptance of conformity assessment results. These guidelines therefore provide an important foundation for establishing a mutual recognition model for the intra and extra-regional trade of fruits/vegetables, poultry, and food fish (including shrimp) products.

²⁵ ASEAN, "ASEAN Guidelines for the Design, Operation, Assessment, and Accreditation of Food Import and Export Inspection and Certification Systems", September 2014

²⁶ APLAC MRA: Asia Pacific Laboratory Accreditation Cooperation MRA

²⁷ ILAC MRA: International Laboratory Accreditation Cooperation MRA

²⁸ PAC MLA: Pacific Accreditation Cooperation Multilateral Recognition Arrangement

²⁹ IAF MLA: International Accreditation Forum Multilateral Recognition Arrangement

³⁰ ASEAN, "ASEAN Guidelines for Accreditation and Conformity Assessment", April 2015

4. Analysis of Existing Mutual Recognition Models

Models for regulatory cooperation, including the application of mutual recognition and equivalence, are not one-size-fits-all. The design and how the principles are applied across different arrangements will vary to a great degree depending on the nature of the cooperative relationship between trade partners, the level of institutional sophistication of trade partners, and the sector/s in question. We present an overview of existing models identified inside the ASEAN region, followed by models identified outside the ASEAN region to compare key characteristics, and extract lessons learned for developing a mutual recognition model for the ASEAN Agricultural Best Practices.

4.1 Examples of Mutual Recognition within ASEAN

ASEAN has been a global leader in the establishment of mutual recognition to enhance member cooperation, reduce technical barriers to trade, and facilitate intra-regional trade. As the region moves toward the full realization of the ASEAN Economic Community (AEC), existing arrangements provide a valuable guide to developing a sectoral MRA for the recognition of agricultural standards and conformity assessment procedures. The section below outlines the work done by ASEAN to date on MRAs, including 1) the Framework Agreement on MRAs, 2) sectoral MRA for tourism, 3) sectoral MRA for medicinal products, 4) sectoral MRA for electronic equipment, 5) sectoral MRA for cosmetics (designed but not implemented), and 6) a template arrangement for bilateral MRAs for fishery products.

ASEAN Framework Agreement on Mutual Recognition Arrangements

The ASEAN Framework Agreement on Mutual Recognition Arrangements was signed by ASEAN Member States in December 1998. The framework agreement was put in place to lay out the principles for member states to develop sectoral MRAs, and to present the general conditions for the recognition of conformity assessment bodies across member states. Several general provisions of the Framework Agreement are relevant for the consideration of a sectoral agreement related to the agri-food sector, including:

- *AMS entering into a sectoral MRA shall accept or recognize the conformity assessment results, which have been issued in accordance with the provisions in the MRA, by the listed Conformity Assessment Bodies of other AMS.*
- *Member States entering into a sectoral MRA shall ensure that the Designating Bodies specified in the Sectoral MRAs have the power and competence in their respective territories. "Designating Body" means a body appointed by a Member State to a Sectoral MRA, with responsibility to identify and monitor Conformity Assessment Bodies.*
- *Member States entering into a sectoral MRA shall ensure that the Conformity Assessment Bodies listed in the Sectoral MRAs fulfill the conditions of eligibility to assess conformity in relation to requirements as specified in the MRAs.*
- *Member states shall enhance cooperation through: harmonization of standards with relevant international standards; and establishing or improving of infrastructure in calibration, testing, certification and accreditation to meet relevant international requirements.³¹*

The Framework Agreement also provides valuable guidance in developing sectoral MRAs. First, according to the Framework Agreement, all sectoral MRAs are intended to be multilateral agreements, and all member states are encouraged to participate. A sectoral MRA is expected to include the following:³²

- *Indication of product scope and coverage.*

³¹ ASEAN, "ASEAN Framework Agreement on Mutual Recognition Arrangements", December 1998

³² *ibid*

- *A statement or arrangement related to mutual acceptance of the standards or technical regulations or mutual recognition of the equivalence of such standards or technical regulations.*
- *Establishment of a Joint Sectoral Committee responsible for the functioning of the sectoral MRA.*
- *List of the relevant provisions pertaining to the conformity assessment procedures and technical regulations for the specified products.*
- *A list of Designating Bodies (appointed to identify and monitor Conformity Assessment Bodies).*
- *The procedures and criteria for listing Conformity Assessment Bodies.*
- *A current list of agreed Conformity Assessment Bodies.*
- *A sectoral transition arrangement that provides for a specified time period where Member States require time to implement legislative or regulatory changes to effect the Sectoral MRA.*
- *A list of contact points, who shall not be members of the relevant Joint Sectoral Committee.*

While the ASEAN Consultative Committee for Standards and Quality (ACCSQ) and the ASEAN Secretariat are expected to support the implementation of sectoral MRAs and will be the forum for linkages with industry actors, the primary institutional arrangement required under the Framework Agreement is the establishment of the Joint Sectoral Committee. This body must be made up of an official representative from each Member State, but must not be from a conformity assessment body. The Joint Sectoral Committee will be responsible for the listing, suspension, withdrawal, removal of conformity assessment bodies, and for providing a forum for discussing implementation issues concerning the sectoral MRA.

Additionally, the Framework Agreement provides procedures for the listing (e.g. recognition), suspension, and/or removal of Conformity Assessment Bodies in any sectoral MRA. To demonstrate technical competence of Conformity Assessment Bodies, the Designating Bodies are required to apply one of the following methods:

- *Accreditation by an accreditation body that is a signatory to a regional or international MRA, which is conducted in conformance with the relevant ISO/IEC Guides.*
- *Participation in regional/international mutual recognition arrangements for testing and certification bodies, which are conducted in conformance with the relevant ISO/IEC Guides.*
- *Regular peer evaluations which are conducted in conformance with the relevant ISO/IEC Guides.³³*

Where Member State technical capacity and financial resources are limited to implement the MRA, they may receive technical assistance from other member states, or may engage the services of Conformity Assessment Bodies in other Member States to undertake the requisite conformity assessment activities. Importantly, the Framework Agreement provides a provision that Member State legislative and regulatory authority supersedes the authority of the Framework Agreement, and that any Member State may define their own appropriate level of protection for human, plant, animal, or environmental concerns. Currently, the 1998 Framework MRA is under review by AMS.

ASEAN Mutual Recognition Arrangement on Tourism Professionals

The ASEAN Mutual Recognition Arrangement on Tourism Professionals (MRA-TP) is an example of a sectoral MRA that was developed under the Framework Agreement on MRAs, with a focus on the tourism sector. The MRA-TP was designed to facilitate the mobility of tourism professionals within ASEAN based on competence-based qualifications/certificates, and covers 32 different jobs within the tourism industry. This sectoral MRA is relatively unique in that it deals exclusively with tourism professionals (the labor market) rather than any specific goods/products. Nonetheless, it presents important examples for the

³³ *ibid*

harmonization of standards (“common competency standards for tourism professionals”, and “common ASEAN Tourism Curriculum”), the recognition of tourism professional qualifications received across member states (e.g. recognition of conformity assessment procedures), as well as examples of mechanisms and institutional arrangements deemed necessary to carry out a sectoral MRA in the ASEAN region.

The implementation of the MRA-TP relies on the following institutional arrangements, conformity assessment procedures, and implementation mechanisms:

- **ASEAN Tourism Professional Monitoring Committee (ATPMC):** a monitoring body established to oversee the effective operation of the MRA. Provides overall oversight of the MRA-TP, including creating awareness of the MRA, facilitating information exchange for conformity assessment procedures related to the MRA, promoting/updating/maintaining/monitoring the ASEAN Common Competency Standards for Tourism Professionals and the Common ASEAN Tourism Curriculum.
- **National Tourism Professional Board (NTPB):** a board established in each member state, composed of representatives from the public and private sectors, responsible for quality control of the education and training system that delivers professional qualifications.
- **Tourism Professionals Certification Board (TPCB):** established in each member state, TPCBs apply national competency standards, assess and certify tourism professionals. The composition of each board varies by member state.
- **ASEAN Common Competency Standards for Tourism Professionals (ACCSTP):** the minimum requirements of competency standards in the tourism industry – compatible with industry best practice, and recognized internationally.
- **Common ASEAN Tourism Curriculum (CATC):** delivers the qualifications recognized in the MRA, an approach to training that is globally recognized
- **Competency-based Assessment (CBA):** the principles and process for determining the competency of a professional, and if it meets the minimum competency standards (ACCSTP).
- **ASEAN Tourism Professionals Registration System (ATPRS):** Compiles records of applicants, and provides a database by which applicants can be reviewed by respective employers. A web-based facility designed to disseminate details about qualified tourist professionals in AMS and provide a comparative understanding of the scope, content and equivalent value (or status) of a tourism qualification awarded in any one of the AMS.
- **ASEAN Tourism Qualifications Equivalency Matrix (ATQEM):** used as the basis for determining equivalence of conformity assessment procedures.³⁴

In total, the ASEAN MRA-TP provides agreement on the establishment of the standards and conformity assessment equivalence procedures to facilitate the mutual recognition of different tourism professional qualifications across member states. The forms of institutional arrangements, and types of implementation mechanisms established under this MRA can be considered and adapted for a sectoral MRA for the agri-food sector – drawing on the ASEAN Agricultural Best Practices as regionally recognized product/process standards, and the existing ASEAN Guidelines related to conformity assessment procedures.

ASEAN Sectoral Mutual Recognition Arrangement for Good Manufacturing Practice Inspection of Manufacturers of Medicinal Products

In 2009, ASEAN Member states signed the ASEAN Sectoral Mutual Recognition Arrangement for Good Manufacturing Practice (GMP) Inspection of Manufacturers of Medicinal Products. The objective of this arrangement is to facilitate member state acceptance of other member states’ GMP certificates for

³⁴ ASEAN, “ASEAN Mutual Recognition Arrangement on Tourism Professionals Handbook”, January 2013

medicinal products and the GMP inspection reports which verify manufacturer conformance with mandatory requirements from listed (e.g. recognized) inspection bodies (“Listed Inspection Service”)

Further details of the key provisions of this arrangement are included here:³⁵

- *Each party will provide a copy of the GMP Certificates and/or GMP Inspection Reports for a facility manufacturing medicinal products in their country upon request from another party.*
- *Member states shall accept the GMP Certificates and/or GMP Inspection Reports issued by the Listed Inspection Service of the other member states.*
- *Listed Inspection Services shall apply technical requirements detailed in the PIC/S Quality System Requirements for Pharmaceutical Inspectorates (or other equivalent standard).*
- *In determining equivalence with the PIC/S Quality System, the following criteria is considered: whether the inspection service adheres to the PIC/S Guide to GMP for Medicinal Products; or whether there is an adequate legal framework for inspection and licensing.*

The primary institutional arrangement established for this sectoral agreement is the Joint Sectoral Committee (JSC) which, consistent with the ASEAN Framework Agreement on MRA, is responsible for the functioning of the arrangement and will be comprised of a representative from each member country. To ensure the JSC representative for each country is technically competent, they must be the heads of their national drug regulatory authority (NDRA). The JSC is given responsibility for listing, verification and termination of recognized Inspection Services, providing a forum for discussion, reviewing and amending the MRA as needed.

The MRA provides for “Designating Bodies” as the national regulatory authorities who are responsible for proposing a GMP Inspection Service for listing under the arrangement to the JSC for consideration. The JSC then has the authority to review the proposal, and upon request more fully verify the proposed Inspection Service. The Inspection Service is listed upon approval by the JSC which may be through a vote of approval, or the absence of objection by a member state. The list of accepted Inspection Services is maintained by the ASEAN Secretariat.

ASEAN Sectoral Mutual Recognition Arrangement for Electrical and Electronic Equipment

The 2002 ASEAN Sectoral Mutual Recognition Arrangement for Electrical and Electronic Equipment (ASEAN EE MRA), and subsequent developments, are illustrative of ASEAN’s ‘confidence building’ approach to standards and conformity assessment in light of different development levels and infrastructure among AMS.

Similar to the APEC MRA on Conformity Assessment of Electrical and Electronic Equipment (APEC Electrical MRA), the ASEAN EE MRA is designed as a multilateral agreement so that AMS may wish to join progressively over time. The MRA obliges members to accept test results and certifications where these are conducted by listed (and rigorously assessed) laboratories and certification bodies. The MRA also establishes a “Joint Sectoral Committee” to administer the MRA, and to oversee the process of laboratory and certification body accreditation by “Designating Bodies”. At present, there are 26 listed laboratories and certification bodies.

While the MRA has focused on facilitating market entry, the removal of conflicting or differential standards has been the focus of the 2005 ASEAN Harmonised Electrical and Electronic Equipment Regulatory Regime (AHEEERR). To date, 121 international standards have been assessed as meeting the ASEAN

³⁵ ASEAN, “ASEAN Sectoral Mutual Recognition Arrangement for Good Manufacturing Practice Inspection of Manufacturers of Medicinal Products”, 2009

essential requirements. The integration of a multilateral MRA together with progressively agreed international standards, overseen by a credible and technically proficient joint committee, may be a model for consideration in relation to the ASEAN Agricultural Best Practices.

ASEAN Mutual Recognition Arrangement of Product Registration Approvals for Cosmetics

In 2003, ASEAN Member States signed the Agreement on the ASEAN Harmonized Cosmetic Regulatory Scheme, which covers the ASEAN MRA of Product Registration Approvals for Cosmetics. To date, this MRA has **not** been implemented, but it is summarized here to introduce its model design features.

The Agreement on Harmonized Cosmetic Regulatory Scheme was developed to eliminate trade barriers for cosmetic products and ensure product quality/safety through the regional harmonization of technical requirements, and the mutual recognition of product registration approvals.

The agreement lays out the common technical guidelines, standards, and procedures which will form the basis for mutual recognition, including:³⁶

- *ASEAN Definition of Cosmetics and Illustrative List by Category of Cosmetic Products*
- *ASEAN Cosmetic Ingredient Listings and ASEAN Handbook of Cosmetic Ingredients*
- *ASEAN Cosmetic Labelling Requirements*
- *ASEAN Cosmetic Claims Guidelines*
- *ASEAN Cosmetic Product Registration Requirements*
- *ASEAN Cosmetic Import/Export Requirements*
- *ASEAN Guidelines for Cosmetic Good Manufacturing Practice*

The agreement covers areas for member state cooperation, including:³⁷

- *Establishing or improving infrastructural facilities*
- *Encouraging and promoting cooperation in the fields of technological development including:*
 - *labelling claims, product approvals and manufacturer's license*
 - *accreditation and certification*
 - *quality assurance and good manufacturing practice*
 - *technical information*
 - *training*

The Institutional Arrangements designed to implement the agreement (not yet operational) include:³⁸

- *The ASEAN Cosmetic Committee: responsible for the functioning of the agreement, including coordinating, reviewing, and monitoring the implementation of the overall agreement, the sectoral MRA, and the ASEAN Cosmetics Directive, and reviewing/updating technical documents. The committee consists of one representative from each member state.*
- *The ASEAN Consultative Committee for Standards and Quality (ACCSQ): provides support to the ACC in coordinating and monitoring the implementation of the agreement.*

The sectoral MRA itself (presented as Schedule A of the Agreement) is designed to lay out the requirements and procedures for product registration approvals. In this sense, the MRA is directly focused on the conformity assessment procedures for product approvals. The MRA is multi-lateral, whereas all

³⁶ ASEAN, "Agreement on the ASEAN Harmonized Cosmetic Regulatory Scheme", 2002.

³⁷ *ibid*

³⁸ *ibid*

member states are encouraged to participate; however, any member state electing not to participate in the arrangement may opt out with appropriate notification to the ASEAN Secretariat.

Under the MRA, recognition refers to the recognition of certificates for product registration, and any cosmetic product legally registered in one member state may be marketed in the other member states. The basis for recognition by member states will be the application of the ASEAN Cosmetic Product Registration Requirements by all ASEAN member states.

Template for Equivalence of Fishery Products Inspection and Certification Systems

While the ASEAN Framework Agreement on MRA recommends the use of multilateral MRAs, it is also possible to achieve similar objectives through bi-lateral equivalence agreements. In April 2015, the ASEAN Secretariat completed a draft template for the development of equivalence arrangements between competent authorities of two or more ASEAN Member States for fishery products, inspection, and certification systems.

This example is not an endorsed or actively implemented equivalence arrangement, but is instead a suggested tool provided by the ASEAN Secretariat for use in the development of new equivalence arrangements between member states in the fisheries sub-sector. The scope, language, terms, and provisions presented in the template may be adopted or altered by member states entering into an actual arrangement; nonetheless, the template as developed provides valuable guidance for the development of any type of mutual recognition or equivalence arrangement in the field of fisheries. The template agreement provides for the following guidelines for the recognition of equivalence for fishery products, inspection, and certification systems:³⁹

- *Parties shall develop their fishery product inspection and certification systems based on ASEAN Principles and Guidelines for National Food Control System (CAC/GL 82 MOD), ASEAN General Principle of Food Hygiene (CAC/RCP 1-1969, Rev.4 MOD), ASEAN Principles for Food Import and Export Inspection and Certification (CAC/GL 20 MOD), and ASEAN Guidelines for the Design, Operation, Assessment and Accreditation of Food Import and Export Inspection and Certification Systems (CAC/GL 26 MOD).*
- *Audits of all or part of the inspection and certification systems may be conducted by trade partners in accordance with these guidelines.*
- *Each Party hereby recognizes as equivalent the other Party's fishery products inspection and certification systems governing raw materials, holding, handling, transporting, processing, packaging, and trade in fishery products.*
- *Where differences exist in product standards and labelling requirements, the exporting Party will require the establishments identified in Annex II to comply with the product standards and labelling requirements under the laws of the importing Party.*

4.2 Examples of Mutual Recognition outside ASEAN

Here we examine examples of the application of mutual recognition and/or equivalence outside the ASEAN region related to both food and non-food sectors, including arrangements under global trade agreements, regional trade agreements, bi-lateral trade agreements, international conformity assessment networks, and private voluntary standards systems:

The EU Mutual Recognition Arrangement

In the EU, all products produced and traded by member states that do not fall under harmonized legislation are subject to mutual recognition. The principle of mutual recognition as applied in the EU is based on the

³⁹ ASEAN, “Draft Template Arrangement Between Agency 1 of Country 1 and Agency 2 of Country 2 on the Equivalence of Fishery Products Inspection and Certification Systems”, April 2015.

origin principle – if a product is lawfully marketed in one member state, then its sale must not be prohibited in another member state, even if it were produced under different technical regulations.⁴⁰ The recognition of technical regulations is based on the ‘minimum requirement approach’ whereby they are only focused on public health and environmental concerns. The remainder of the specifications related to products and processes are determined by the market through voluntary standards. Nonetheless, private voluntary standards must comply with national regulations, so meeting the voluntary standard indicates that national regulations have also been met, and a member-state must accept the standards of another member state.⁴¹

In addition to the mutual recognition of national regulations and standards, the EU model recognizes national conformity assessment procedures across member states. This is referred to as the ‘once tested, accepted everywhere’ principle; however, scope is provided for exceptions to this rule for issues relating to public health, which is of course relevant to the food sector.

If an importing country elects to restrict access of a good based on public health concerns, then the burden of proof is on the national authority of the country that restricts access to show that the standards or conformity assessment procedures are materially different. The exporter is given an opportunity to defend its case in court. Since there is not an exhaustive list of products subject to mutual recognition, the decisions are based on case law, and exporters are often unaware of the case law. So while the burden of proof is on the party restricting access, and the seller has a right to defend their case, the grievance process is considered time-consuming and costly, particularly for small and medium sized enterprises.

The EU regime is underpinned by extensive legislative and regulatory instruments, and institutional support is provided by the European Commission. This includes national contact points, who are responsible for information exchange and rapid response and recall / post-market surveillance activities. The EU Regime also requires manufacturers to provide a single contact point to provide information to sellers within 15 days in an attempt to reduce information costs.⁴²

The EU regime has been extended to seven of its trade partners through a series of bilateral treaties. These treaties outline mutual recognition of conformity assessment procedures in specified trade sectors, and center on a continually updated list of conformity assessment bodies by both the EU and the trade partner. The Agreements are overseen by the Joint Committee with representatives from the EU and the trade partner.

WTO Agreements on Sanitary and Phytosanitary Measures and Technical Barriers to Trade

The principles of equivalence, mutual recognition and the desirability of harmonization are supported in the WTO through the Agreement on Sanitary and Phytosanitary measures (SPS Agreement) and the Agreement on Technical Barriers to Trade (TBT Agreement). The focus of these Agreements is the imposition of disciplines on how WTO Members design and implement technical standards. In particular that these standards should not create unnecessary obstacles to trade, and should not discriminate between countries. The SPS Agreement covers the protection of human, animal, and plant life and health, while the TBT Agreement covers technical regulations (mandatory rules), standards (voluntary, market-driven), and conformity assessment procedures.

⁴⁰ Ritz, B.K., Sylvest, J., et al. “Evaluation of the Application of the mutual recognition principle in the field of goods”. European Commission. 2015

⁴¹ Aldaz-Carroll, E. “Regional Approaches to Better Standards Systems”. World Bank Policy Research Working Paper 3948. 2006

⁴² Ritz, B.K., Sylvest, J., et al. “Evaluation of the Application of the mutual recognition principle in the field of goods”. European Commission. 2015

The imposition of disciplines on WTO member countries, it is hoped, promotes the adoption of international standards (rather than arbitrary standards) and thereby encourages moves toward harmonization or equivalence. The SPS and TBT Agreements do not themselves recognize any particular sectoral standards, though they recognize certain standards, such as the Codex Alimentarius, as international and therefore desirable for WTO Members to recognize.

One of the central elements of the SPS Agreement is the promotion of the concept of equivalence. Article 4 of the SPS Agreement requires:⁴³

- *SPS Agreement, Article 4.1: “Members shall accept the sanitary or phytosanitary measures of other Members as equivalent, even if these measures differ from their own or from those used by other Members trading in the same product, if the exporting Member objectively demonstrates to the importing Member that its measures achieve the importing Member’s appropriate level of sanitary or phytosanitary protection. For this purpose, reasonable access shall be given, upon request, to the importing Member for inspection, testing and other relevant procedures.”*

This request-response mechanism has been further confirmed by decisions of the WTO to impose on importing countries the obligation to provide timely explanations as to why a particular SPS measure has been adopted. A similar mechanism could be useful in development of a mutual recognition model for the ASEAN Agricultural Best Practices.

The TBT Agreement imposes disciplines on WTO Members in how they adopt and apply conformity assessment procedures. This includes, for example, the obligation to ensure results of conformity assessment procedures by government agencies of other WTO Members – whenever possible – are accepted (Article 6.1).

The TBT Agreement also requests that certain forms of conformity assessment cooperative agreements be notified to the WTO. The types of agreements that have and are suggested for notification include the following:⁴⁴

- **Mutual recognition agreements:** Governments may enter into agreements resulting in the acceptance of the results of conformity assessment originating in the territory of either party.
- **Voluntary, co-operative arrangements between conformity assessment bodies:** This includes arrangements between accreditation bodies as well as arrangements between individual laboratories, between certification bodies, and between inspection bodies. These agreements can be recognized by governments as the basis for acceptance of test results and certification activities in the mandatory sector.
- **Accreditation and conformity assessment networks:** Accreditation bodies have developed global networks to facilitate recognition and acceptance of conformity assessment results. These networks take the form of multilateral recognition agreements or arrangements (MLAs) whereby each participant recognizes the accreditation granted or certificates issued as being equivalent to that granted by itself and to promote that equivalence where it operates.
- **Government designation:** National authorities may designate specific conformity assessment bodies, including bodies located outside their territories, to undertake conformity assessment.
- **Unilateral recognition:** A government may unilaterally recognize the results of foreign conformity assessment procedures. The conformity assessment body may be accredited abroad under recognized regional or international accreditation systems or may prove its competence by other means.
- **Manufacturer’s/supplier’s declarations:** a supplier provides written assurance of conformity to the specified requirements. Assessment may be undertaken either by the suppliers own internal test facility or

⁴³ WTO, “Agreement on Sanitary and Phytosanitary Measures”

⁴⁴WTO, “Agreement on Technical Barriers to Trade”

by an independent test facility. This system is predicated on adequate market surveillance, substantial penalties for false/misleading declarations, and an appropriate regulatory environment.

US-Japan Mutual Recognition of Organic Agriculture (“Equivalency Agreement”)

The US and Japan provide an example of a bi-lateral agreement between competent national authorities related to the mutual recognition of process standards for organic agriculture. The Japanese Ministry of Agriculture, Food, and Fisheries (MAFF) entered into an official agreement with the United States Department of Agriculture (USDA) to recognize the USDA national organic standard. In essence, this agreement recognizes that the US national standard for organic agriculture products sufficiently meets the objectives of the Japanese national standard – or in other words, the two national standards were assessed and determined to be equivalent.

However, the agreement highlights that three substances which are allowed under the US standard cannot be used for organic products exported to Japan. The exclusion of these substances is verified by an accredited certifying agent (ACA) through paper audit and on-site examination. The agreement also requires that the export certificate provide a compliance statement that the prohibited substances have not been used in the production or processing of the product.⁴⁵

The Agreement followed substantial investigations (and continued oversight) by each country’s agricultural ministry to determine equivalence on organic management, accreditation, certification and enforcement programs. This example highlights that process standards can be assessed as equivalent (with exceptions) on a bi-lateral basis between competent national authorities where comparable levels of institutional capacity exist, and appropriate verification safeguards can be put into place, to effectively facilitate trade in agricultural produce. The model may have limited application in regions where there is significant variation between institutional capacities.

Canada-Thailand Equivalence Agreement for Seafood Trade

In 1997 Canada and Thailand entered into an agreement which recognized the equivalence of fishery product conformity assessment systems between countries.⁴⁶ The agreement recognized that the trade partner’s conformity assessment system, although different, was capable of achieving the same objectives. While inspection and control systems were recognized as equivalent, product and process standards were not. The agreement stipulates that if product standards are significantly different, then the exporter will be required to meet the standards of the importing country.

Interestingly, the agreement recognizes all Canadian operators that are licensed for export under national fish inspection regulations, while listing by name the Thai operators that are recognized under the agreement. This characteristic of the agreement was likely put in place do to the variance in levels of development and institutional capacity between trade partners at the time of the agreement.

In addition to the scope and key provisions, the agreement also lays out several procedural guidelines which are critical to its effective implementation, including:⁴⁷

- *Procedures for the audit of trade partner conformity assessment system.*
- *The establishment of a Joint Management Committee to oversee the implementation of the agreement.*

⁴⁵ Veggeland, F., and Elvestad C. “Equivalence and Mutual Recognition in Trade Arrangements: Relevance for the WTO and the Codex Alimentarius Commission”. Norwegian Agricultural Economics Research Institute. 2004.

⁴⁶ “Agreement between the Government of Canada and the Government of the Kingdom of Thailand on the Equivalence of Fish and Fishery Products Inspection and Control Systems”. Treaty E100680.

⁴⁷ “Agreement between the Government of Canada and the Government of the Kingdom of Thailand on the Equivalence of Fish and Fishery Products Inspection and Control Systems”. Treaty E100680.

- *Designation of responsible authorities and contact points (the Canadian Food Inspection Agency, and the Thai Department of Fisheries of the Ministry of Agriculture and Cooperatives).*
- *Procedures to determine equivalence of conformity assessment system, including:*
 - *Adequate national legislation and capacity to enforce requirements*
 - *Identification of the main objectives of the fishery conformity assessment procedures*
 - *Adequate resources such as facilities, equipment, laboratories, and personnel*
 - *Policies and procedures for assessing risk and conducting inspections*
 - *Training program for inspectors and laboratory personnel*
 - *Impartial and independent certification systems*
 - *Documented record of regulatory enforcement by responsible authorities*
 - *Ability to perform audits on inspection system*

The Canada-Thai mutual recognition agreement is an important model for a bi-lateral agreement that recognizes the conformity assessment procedures of trade partners without the recognition of product or process standards, in the field of fishery products.

The APEC MRA on Conformity Assessment of Foods and Food Products

Established in 1996, the APEC Food MRA is an umbrella arrangement that provides guidelines for the development of MRAs between member countries. It is set up as a voluntary mechanism that applies to all products and sub-sectors, but provides the basis for member countries to enter into sector-specific MRAs together. The APEC Sub-Committee on Standards and Conformance is the regional institutional body designated with the coordination of the umbrella arrangement and the encouragement of sector-specific MRAs.

The agreement provides the framework for determination of equivalence of conformity assessment systems of trade partners. Once member countries enter into sector specific MRAs (either bi-laterally or multi-laterally) the conformity assessment systems are determined to be equivalent, and the products can be assessed in the exporting country based on the importing country requirements/standards.⁴⁸

This literature review was unable to determine if there have been any sector-specific MRAs signed between member countries to date within the framework of this umbrella agreement; nonetheless, it is an important model for members of regional trade agreements. While APEC is larger, and arguably more diverse, this umbrella arrangement is not too dissimilar from the intentions of the ASEAN Framework Agreement on MRAs.

The Trans-Tasman Mutual Recognition Arrangement

The Trans-Tasman Mutual Recognition Arrangement (TTMRA) came into effect in 1998, and enables goods produced in (or imported into) Australia to be sold in New Zealand, and conversely, goods produced (or imported into) New Zealand may be sold in Australia.⁴⁹ The agreement, in effect, recognizes as equivalent the differences in product standards, packaging/labelling requirements, as well as conformity assessment systems/procedures – with coverage now approximately 80 percent of total Trans-Tasman trade.

The TTMRA does allow for special exemptions where competent authorities determine that further examination of the trade partner's regulatory requirements is necessary; however, the principle of mutual recognition as applied under the TTMRA is similar to that as applied within the EU – “once tested,

⁴⁸ Veggeland, F., and Elvestad C. “Equivalence and Mutual Recognition in Trade Arrangements: Relevance for the WTO and the Codex Alimentarius Commission”. Norwegian Agricultural Economics Research Institute. 2004.

⁴⁹ Commonwealth of Australia. “A Users Guide to the Mutual Recognition Agreement (MRA) and the Trans-Tasman Mutual Recognition Arrangement (TTMRA)”. 2006

accepted everywhere.” While food products are covered under the TTMRA, a joint food regulatory agency, the Australia-New Zealand Food Authority (ANZFA), is pursuing the harmonization of food standards between countries. To avoid any technical barriers to food trade that have not been addressed through this harmonization process, the TTMRA provides for mutual recognition of differences in standards and conformance procedures. The TTMRA is overseen by a Ministerial Council with senior Ministers from relevant agencies (such as Agriculture, Health, etc.) of both countries represented. There is also a Cross-Jurisdictional Review Forum (CJRF) designed for officials-level work. The relevant Government agencies also have a division responsible for implementation and monitoring of the TTMRA.

The success of the TTMRA, according to a recent review, is difficult to quantify. However, the successful operation of the TTMRA was strongly linked to the shared history and culture (including regulatory culture) found between NZ and Australia⁵⁰. This will need to be considered when assessing the TTMRA model’s suitability for ASEAN Agricultural Best Practices.

China-NZ Electrical and Electronic Equipment Mutual Recognition Agreement (EEE MRA)

Under the auspices of the NZ-China Free Trade Agreement, concluded in 2009, the countries also finalized a Mutual Recognition Agreement for specified categories of electrical equipment. This agreement allowed the China Compulsory Certification “CCC” mark to be applied by NZ certification bodies (the first and only agreement globally which does this).

For NZ manufacturers, this will save the expense of sending products to China for certification and paying for Chinese officials to visit New Zealand for factory assessments. The certification and assessment can now be done by specified New Zealand certification bodies and laboratories. The Agreement has also institutionalized the exchange of information by both sides. In particular, Chinese and NZ authorities have now provided each other with detailed listings of deviation from international standards. This allows a far clearer understanding of respective mandatory requirements. Trade statistics since the MRA was finalized in 2009 may present tangible evidence of a positive impact. NZ’s total exports of mechanical and electrical machinery and equipment has declined by 7 percent from 2010 to 2014, though exports to China have grown in the same period by 55 percent. China’s exports of mechanical and electrical machinery and equipment to NZ have grown slightly faster (40 percent) than NZ’s overall imports of the same category (36 percent) over the same period.⁵¹

Non-Government Accreditation MRAs

The International Accreditation Forum Multilateral Recognition Arrangement (IAF MLA).

The International Accreditation Forum (IAF) is a global association of accreditation bodies meeting international best practice, designed to strengthen the reliability and trustworthiness of its members.⁵² Accreditation bodies that are signatories to the IAF Multilateral Recognition Arrangement (MLA) are evaluated regularly through peer review to provide confidence in their accreditation programs. Certifications issued by IAF members, by are globally recognized, thereby easing barriers to trade related to conformity assessment bodies.

Pacific Accreditation Cooperation Multi-lateral Recognition Arrangement. The Pacific Accreditation Cooperation (PAC) is also an association of accreditation bodies that promotes international acceptance of accreditations granted by its members. PAC operates within the framework of the IAF in which a strict peer evaluation of accreditation organizations is conducted to ensure that

⁵⁰ Australian Productivity Commission 2015, Mutual Recognition Schemes, Research Report, Canberra.

⁵¹ <http://www.stats.govt.nz/~media/Statistics/browse-categories/industry-sectors/imports-exports/global-nz/jun-14/global-nz-year-ended-june-2014.pdf>

⁵² <http://www.iaf.nu/>

members comply with international standards. The PAC Multi-lateral Recognition Arrangement (MLA) lays out several obligations of signatories, including:⁵³

- *Ensure all accredited conformity assessment bodies conform to relevant normative documents.*
- *Promote acceptance and equivalence of accredited conformity assessment certificates issued with the endorsement of a signatory.*
- *Promote the world-wide acceptance and equivalence of accredited conformity assessment certificates issued with the endorsement of a signatory.*

The PAC MLA also presents the normative technical criteria that members must apply to become to be recognized within the MLA, including several which are relevant to the food sector, including:

- *For Accreditation Bodies: ISO/IEC 17011 for Accreditation of Food Safety Management System Certification Bodies (ISO 22000).*
- *For Management Systems Certification Bodies: ISO/TS 22003: requirements for bodies providing audit and certification of food safety management systems.*
- *For Product Certification bodies: GLOBALG.A.P. Integrated Farm Assurance General Regulations; GLOBALG.A.P. Integrated Farm Assurance Control Points and Compliance Criteria.*

This MLA illustrates how a network of conformity assessment bodies can enter into an arrangement to recognize the test results generated by members. The arrangement further demonstrates how international standards form the basis for peer evaluation to determine technical competence (e.g. equivalence), and presents several relevant international standards as bases for global recognition in the field of conformity assessment.

Asia Pacific Laboratory Accreditation Cooperation Mutual Recognition Arrangement. Asia Pacific Laboratory Accreditation Cooperation (APLAC) is an organization of accreditation bodies in the Asia Pacific region for accrediting laboratories, and inspection bodies. They provide a forum to exchange information on inspection and certification best practices, to promote mutual recognition among members, and to promote global acceptance of test results issued by members. The APLAC Mutual Recognition Arrangement was created to establish and maintain confidence and acceptance of accredited laboratories, and inspection bodies that have been evaluated and recognized as technically competent. The arrangement provides that each signatory will:⁵⁴

- *Use equivalent procedures for the accreditation of laboratories under ISO 17011 (the requirements for accreditation of conformity assessment bodies (CABs)).*
- *Recognize the accreditation of a laboratory or inspection body as being equivalent to its own accreditation.*
- *Accept test reports, certifications, and inspection reports issued by member accredited laboratories and inspection bodies.*
- *Recommend and promote the acceptance of member reports and certifications within their country.*

This MRA illustrates how laboratory and inspection accreditation bodies can form regional networks to recognize and promote the competence of members and their conformity assessment procedures to effectively facilitate trade. There are currently 31 different accreditation organizations who are signatories of the arrangement spanning countries in the Asia/Pacific including the Peoples Republic of China, Hong Kong, New Zealand, Australia, Taiwan, Japan, Korea, Sri Lanka, India, Pakistan, Russia, Mexico, United

⁵³ PAC, "Pacific Accreditation Cooperation Multi-lateral Recognition Arrangement (MLA)". PAC-MLA-001. Jan 2016.

⁵⁴ APLAC, "Asia Pacific Laboratory Accreditation Cooperation Mutual Recognition Arrangement". APLAC MR 002 (rev 2). 12/09.

States, Canada, and several organizations operating in ASEAN Member States including Singapore, Vietnam, Indonesia, Thailand, the Philippines, and Malaysia.

SAARC Agreement on Multilateral Arrangement on Recognition of Conformity Assessment

The South Asian Association for Regional Cooperation (SAARC) is a regional union consisting of 8 member states, including Sri Lanka, Pakistan, the Maldives, Nepal, India, Bhutan, Bangladesh, and Afghanistan. In 2011, SAARC member states entered into the SAARC Agreement on Multilateral Arrangement on Recognition of Conformity Assessment⁵⁵ (MARCA) with the objective of eliminating technical barriers to trade through the acceptance of member conformity assessment results.

The scope of the agreement itself addresses: products covered under the agreement (it is multi-sectoral), the institutional arrangements established under the agreement, procedures for recognizing/monitoring/suspending conformity assessment bodies (CAB), procedures for dispute settlement, and other practical requirements for the implementation of the agreement (fees, technical assistance, etc.).

Once the final party (Nepal) ratifies the MARCA, the Board for Conformity Assessment (BCA) will be established with a representative from each member state that is responsible for coordinating, and monitoring the conformity assessment work to be conducted by the South Asia Regional Standards Organization (SARSO).⁵⁶ The BCA will be formulated under the oversight of the SARSO Governing Board, and is responsible for the listing (e.g. recognition) and suspension of conformity assessment bodies. The BCA, which will make decisions on a consensus basis similar to ASEAN, is also responsible for establishing the Sectoral Conformity Assessment Committees which provide a forum for discussion on sector-specific issues that arise, and address disputes.

The Sectoral Conformity Assessment Committees (SCAC) are made up of technical experts for conformity assessments within target sectors from each SAARC member state. Each SCAC is responsible for recommending the conformity assessment bodies for listing, suspension, and withdrawal. Recommendations are made and reviewed by the BCA. Each member state assigns a contact point responsible for SCAC activities in each sector. The procedures for listing CABs include:⁵⁷

- *SCAC shall ensure that CABs identified for listing have adequate knowledge of the applicable standards and experience in conformity assessment.*
- *Assessment of technical competence/compliance to the procedures is done by SCAC through verification.*
- *Each SCAC forwards in writing required details of CABs that had been identified, to SARSO Secretariat.*
- *The SARSO secretariat circulates these details to all the Parties for their confirmation, opposition, or abstention for the listing of identified CABs.*
- *The Parties shall indicate their position regarding their confirmation or their opposition, to the SARSO Secretariat within 60 days.*
- *The BCA will list CAB when confirmation is received from all the Parties.*
- *The BCA will list CAB when there is no opposition and abstention without any comment from any Party. Abstention without comment shall be treated as confirmation.*

⁵⁵ SAARC, “the SAARC Agreement on Multilateral Arrangement on Recognition of Conformity Assessment”, November 2011.

⁵⁶ <http://www.sarso.org.bd/site/page/66849939-611f-4129-b31f-a5aa53cc4ca3/Conformity-Assessment>

⁵⁷ SAARC, “the SAARC Agreement on Multilateral Arrangement on Recognition of Conformity Assessment”, November 2011.

- *The BCA will resolve cases of opposition and/or abstention with comments.*
- *Opposition must be given in writing with justification and evidence.*
- *Any Party may request for visit for verification of technical competence of CAB.*
- *The BCA shall take final view and may decide for verification of the technical competence or compliance of a proposed CAB.*

The procedures for continued monitoring of listed CABs include:⁵⁸

- *Each SCAC is tasked with ensuring that its conformity assessment bodies are capable and remain capable of properly carrying out conformity assessment.*
- *SCACs monitor the performance of the conformity assessment and the decision-making processes of CABs at least once a year.*
- *Monitoring may include on-site assessments, review of assessment reports, feedback of CABs from their clients, etc. and taking appropriate action.*

Following regular monitoring, the procedures for the suspension and/or withdrawal of any listed CAB is also provided in the agreement to ensure the mutual confidence in conformity assessment bodies across the regional union. The agreement also provides provisions for technical assistance between parties to the agreement, if needed, as follows:⁵⁹

- *If requested, parties to the agreement will provide other parties technical assistance on building up and/or maintaining technical competence of relevant CABs in their territories.*
- *If requested, parties to the agreement will provide technical assistance regarding the establishment of the institutions and legal framework which would enable them to fulfil the obligations of membership or participation under this Agreement.*
- *Expenses incurred for providing technical assistance by a Party to another will be as mutually agreed between the Parties.*

The SAARC MRA on Conformity Assessment provides a compelling comparison for ASEAN Member States considering a MRA for agricultural standards and/or conformity assessment. SAARC itself represents member states with varying levels of economic development, and different levels of infrastructure for the implementation of conformity assessment procedures, similar in many respects to the diversity of ASEAN member states.

Gulf Cooperation Council Regional Conformity Assessment Scheme

The Gulf Cooperation Council (GCC) is a regional political and economic union made up of member states Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates. In 2005, the GCC Standards Organization established the Regional Conformity Assessment Scheme (RCAS). The RCAS is an agreement between GCC member states to harmonize standards and conformity assessment procedures for imported and exported products, with a particular focus on toys and electrical products. The primary components and institutional arrangements of the agreement follow:⁶⁰

- *Establish a single accreditation body (“Gulf Accreditation Center”) for all GCC member states – at present 64 companies have been accredited.*
- *Harmonize mandatory technical regulations, and voluntary standards around international standards.*
- *Create a labelling initiative, the Gulf Conformity Mark, to raise awareness and recognition.*

⁵⁸ *ibid*

⁵⁹ *ibid*

⁶⁰ <http://www.gso.org.sa/>

- *Set a unified system of metrology regulations for all member states.*
- *Enact a unified law for product liability across all member states.*
- *Steering Committee for Measurement and Calibration with representatives from each member state. The SCMC represents GCC members within the international metrology community.*
- *Interim committee GCC Accreditation Body Steering Committee (GABSC) comprises representation from a quorum of member states is responsible for establishing the permanent Gulf Accreditation Center.*
- *A permanent committee entitled the GCC Committee for Conformity Assessment (GCCA), with representation from all member states, responsible for drafting mandatory GCC technical regulations, drafting mutually accepted conformity assessment procedures, drafting a guide for selecting approved bodies, drafting unified customs guidelines (and other tasks).*

In addition to these institutional arrangements, the GCC RCAS also established a regional conformity marking/labelling initiative. The GCC Conformity Marking is not intended as a mark of quality, but instead a mark that indicates a product meets the essential health, safety, and environmental requirements. The marking is compulsory for the import and export of products subject to mandatory technical regulations. Although the GCC RCAS is primarily intended for industrial products such as toys and electrics, there are interesting components to the agreement which may be taken into consideration by ASEAN Member States for the establishment of a mutual recognition model for agricultural product conformity assessment procedures. Specifically, the establishment of regional institutional arrangements to implement the agreement, and the introduction of a regional branding/marketing initiative to raise awareness and promote recognition of member country products that meet international standards.

GLOBALG.A.P. Equivalence Benchmarking

A mutual recognition model may also focus on determining equivalence or alignment between standards at the national, regional, and/or commercial levels. GLOBALG.A.P. is a private voluntary process standard for the production of agriculture, livestock, and fishery products. GLOBALG.A.P. recognizes other private voluntary standards, national standards, or regional standards through an equivalence assessment referred to as benchmarking. Benchmarking is the process of identifying the similarities and differences between two different standards, and making a determination if they achieve appropriate levels of protection. The GLOBALG.A.P. benchmarking process assigns the following designations to different standards based upon their own⁶¹:

- *Equivalent Schemes: Schemes with their own standards and management systems that are recognized as fully conforming to GLOBALG.A.P.*
- *Approved Modified Checklist (AMC): Schemes with their own standards; however, they use GLOBALG.A.P. general regulations as rules for certification.*
- *Resembling: Standards and schemes that conform to GLOBALG.A.P. with some exceptions. These schemes may require add-on modules to bridge gaps in conformity with GLOBALG.A.P.*

The benchmarking process that GLOBALG.A.P. undertakes includes a comprehensive document review, a peer review for stakeholders to share insights, an on-site assessment of the quality assurance system, and a review by the benchmarking committee made up of industry representatives and relevant experts who recommend the recognition level⁶². While this model presents an example of how a private voluntary standard system conducts equivalence assessments, a mutual recognition model between trade partners (bi-laterally, or multi-laterally) that integrates an equivalence assessment of standards would need to consider similar procedural steps and committee arrangements.

⁶¹ http://www.GLOBALG.A.P..org/uk_en/what-we-do/the-gg-system/benchmarking/

⁶² *ibid*

4.3 Matrix Comparing Existing Models for Mutual Recognition

	Agreement/Arrangement	Type of Agreement (Bilateral or Multilateral)	Umbrella or Sectoral	Approach to Standards	Approach to Conformity Assessment Procedures	Institutional arrangements established for implementation & oversight	Specific Technical Guidelines provided	Comparable technical infrastructure between parties
Examples inside ASEAN	ASEAN Framework Agreement on MRA	Multilateral	Umbrella	Harmonization	Recognized CABs	Yes	No	No
	ASEAN EE MRA	Multilateral	Sectoral	Importer Standards and Harmonization	Recognized CABs	Yes	No	No
	ASEAN MRA on Tourism Professionals	Multilateral	Sectoral	Harmonization	Recognized CABs	Yes	Yes	No
	ASEAN MRA on Cosmetics	Multilateral	Sectoral	Harmonization	Recognized CABs	Yes	Yes	No
	ASEAN MRA on GMP of Medicinal Products	Multilateral	Sectoral	Harmonization	Recognized CABs	Yes	Yes	No
	Template Arrangement on Equivalence of Fishery Products, Systems	Bilateral	Sectoral	Not addressed	Recognized CABs	No	Yes	N/A
Examples outside ASEAN	EU Mutual Recognition Arrangement	Multilateral	Umbrella	Equivalence	Once tested, accepted everywhere	No	No	Yes
	WTO Agreements on SPS & TBT	Multilateral	Umbrella	Harmonization	Equivalent procedures	No	Yes	No
	US-Japan MRA on Organic Ag	Bilateral	Sectoral	Equivalence	Not explicitly addressed	No	No	Yes
	Canada-Thailand Equivalence Agreement on Seafood	Bilateral	Sectoral	Importer standards	Recognized CABs	Yes	Yes	Yes
	China-NZ EEE MRA	Bilateral	Sectoral	Importer Standards	Recognized CABs	Yes	No	Yes
	APEC Food MRA	Multilateral	Umbrella	Importer standards	Equivalent procedures	No	No	No
	Trans-Tasman MRA	Bilateral	Umbrella	Equivalence	Once tested, accepted everywhere	No	No	Yes
	Asia Pacific Laboratory Accreditation Cooperation MRA	Multilateral (Private)	Umbrella	Not addressed	Recognized CABs	Yes	Yes	Yes
	Pacific Accreditation Cooperation Multilateral Recognition Arrangement	Multilateral (Private)	Umbrella	Not addressed	Recognized CABs	Yes	Yes	Yes
	SAARC Multi-lateral Arrangement on Recognition of Conformity Assessment	Multilateral	Umbrella	Importer Standards and Harmonization	Recognized CABs	Yes	No	No
	GCC Regional Conformity Assessment Scheme	Multilateral	Umbrella	Harmonization	Harmonized procedures	Yes	No	Yes
	GLOBALG.A.P. System for Benchmarking	Bilateral (Private)	Sectoral	Equivalence	Equivalent procedures	No	Yes	N/A

4.4 Lessons Learned for Mutual Recognition

There is clear evidence that cross-border trade increases when an approach is applied that promotes cross-border acceptance of conformity assessment procedures.⁶³ Such approaches could be an MRA or a unilateral declaration of the acceptance of another countries conformity assessment bodies. The existing literature is consistent on impacts on trade from neutral to positive, though the difficulty is disentangling the impact of other factors from the impact of the MRA itself. Most studies have focused on the role of MRAs in assisting to produce economies of scale (by opening up new markets) and allowing a more efficient allocation of resources (i.e. reducing the fixed costs of compliance over multiple markets).

The clearest quantitative analysis has shown that – in circumstances where a regional trade agreement had strong commitments on technical barriers to trade (TBT) – trade has tended to increase by 7 percent on account of the TBT commitments alone.⁶⁴ However, there are many qualifications to the general correlation between MRAs and increase in international trade.

When considering a model for mutual recognition of ASEAN Agricultural Best Practices, and attempting to maximize the beneficial impact of increased regional and extra-regional trade, it is important to consider existing literature which analyses various models. The table below summarizes some of the key impacts observed regarding the impact of MRAs on trade. There are limitations to the existing studies. For example, most studies are qualitative (relying on surveyed attitudes) rather than quantitative (econometric analysis). Furthermore, the studies completed to-date have focused on manufactured devices and equipment rather than agri-food. Nonetheless, the findings are important to consider in crafting an appropriate mutual recognition model for ASEAN agri-food sectors.

Finding	Lessons Learned
Little or no impact on trade where measures are not effectively implemented ⁶⁵	Any model should include a work plan and timeframe for monitored implementation.
Existing trade must be significant for MRAs to have a significant impact ⁶⁶	Any model should prioritize sectors in which trade is already substantial
Little or no impact on trade by those outside region, where there are restrictive 'rules of origin' ⁶⁷	Any model should carefully consider the need for restrictive rules of origin
Clear positive trade impact for 'Self Declaration' procedures ⁶⁸	Any model focused on trade impact should consider a move toward Self Declaration by exporters – including as a future development
Higher levels of exporter participation where CABs are certified in multiple countries ⁶⁹	For regions with diverse regulatory infrastructure, such as ASEAN, a model could promote accreditation of conformity assessment bodies across multiple markets.
MRAs impact sectors with higher variable costs for conformity assessment than those with lower variable costs ⁷⁰	Any model could prioritize sectors with higher variable costs (e.g. greater uncertainty) to achieve the greatest impact.
MRAs bring down the cost of conformity assessment by encouraging competition ⁷¹	Any model should encourage the creation and increased competition of Conformity Assessment Bodies

⁶³ Vancauteran, 2009, Trade effects of approaches intended to facilitate acceptance of results of conformity assessment: What is the evidence?

⁶⁴ Correia de Brito, A.C, et al, 2016. The contribution of mutual recognition to international regulatory co-operation, OECD Regulatory Policy Working Papers.

⁶⁵ Hogan & Hartson (2003) covering EU-Australia/NZ MRA on pharmaceuticals and other categories.

⁶⁶ Hogan & Hartson (2003) covering EU-Australia/NZ MRA on pharmaceuticals and other categories.

⁶⁷ Chen & Mattoo (2008) on 42 countries with MRAs on manufactured products.

⁶⁸ Popper et al (2004) on pharmaceutical and automotive products.

⁶⁹ Aldaz-Carroll (2006) on Mercosur and Andean Community trade.

⁷⁰ Baller (2007) on OECD Countries with MRAs on Telecommunications and Medical Devices.

⁷¹ OECD (2005) on Telecommunication, Automotive and Dairy sectors in US, UK, Germany and Spain.

Existing models for mutual recognition inside and outside ASEAN provide valuable insights into the different possibilities and provisions to consider in developing a model for mutual recognition covering the ASEAN Agricultural Best Practices. Importantly, the ASEAN Secretariat, and its associated institutional arrangements (particularly the ASEAN Consultative Committee for Standards and Quality, the Working Group on Accreditation and Conformity Assessment, and the Prepared Foodstuff Product Working Group) have completed a body of work that must be considered and built on.

Any recommended model must consider those agreements and guidelines which have already been endorsed by ASEAN Member States including: the ASEAN Framework Agreement on MRA; the ASEAN Policy Guidelines on Standards and Conformance; the ASEAN Guidelines for the Design, Operation, Assessment, and Accreditation of Food Import and Export Inspection and Certification Systems; and the ASEAN Guidelines for Accreditation and Conformity Assessment.

Additionally, any recommendations on a model for mutual recognition must, in some way, address two distinct, but interdependent components: standards, and conformity assessment procedures. They are both indispensable to facilitate increased trade intra-regionally and extra-regionally.

There are several ways to address each of these components, including the application of harmonization, equivalence, or mutual recognition. Harmonization often requires the highest degree of comparability in terms of infrastructure and technical capacity between partners. Equivalence allows for differences as long as appropriate levels of protection can be assured. Mutual recognition is most often associated with the recognition of capable Conformity Assessment Bodies (CABs). The type and characteristics of the model chosen should account for technical competency and infrastructure between parties to an agreement.

Examples of multi-lateral arrangements outside ASEAN illustrate that the most common basis for harmonization, equivalence, or mutual recognition are international guidelines, standards, and procedures which are regularly used for assessing the capacity of conformity assessment bodies (CABs) and other economic operators (producers, exporters, etc.). The most common international standards/procedures utilized in mutual recognition models globally are ISO/IEC, and the Codex Alimentarius Commission (CAC). The role of the ASEAN Agricultural Best Practices and associated product standards should also be considered as a potential common regional standard to aid in the development and implementation of any relevant sectoral MRA.

Additionally, existing sectoral arrangements between ASEAN member states provide a clear idea of what types of institutional arrangements may be necessary and feasible to establish within the ASEAN region. These lay out the potential roles of ASEAN bodies, national competent authorities, and the makeup of any new committees to be established. At a minimum, each sectoral arrangement, under the Framework Agreement on MRA, is recommended to:

- *Establish a Joint Sectoral Committee: made up of an official representative from each AMS, and responsible for the overall functioning of the sectoral MRA.*
- *Identify national Designating Bodies at the national level of each member state that are responsible for recommending Conformity Assessment Bodies (CABs) for recognition, and monitoring their conformance with international standards.*
- *Ensure support from the ASEAN Secretariat and the ASEAN Consultative Committee for Standards and Quality (ACCSQ) for the functioning of the sectoral MRA.*

5. Quantitative Data Analysis

One of the clear lessons learned from the literature is that models for mutual recognition will be most successful between trade partners in sectors where trade is already substantial. Additionally, a country with substantial production in a particular sector, but limited trade, may be missing an opportunity that a mutual recognition model could help them to realize. Further, countries that rely on imports due to limited domestic production may benefit greatly from a mutual recognition model that addresses food safety concerns and streamlines the regulatory environment for trade.

With these insights in mind, the following section presents the most current data available for production and trade in fruits/vegetables, poultry, and fish across AMS to identify where the utility and benefits of a mutual recognition model may be clearest.

5.1 Production and trade volume in target sub-sectors across AMS

A snapshot of production data, trade data and analysis of the direction of trade in the three target sub-sectors (Fruit/Vegetables, Poultry, Food Fish) provides insights into the relevance of and opportunities for establishing a mutual recognition mechanism to facilitate trade in these products.

Food Fish Production and Trade Volume: 2013⁷²

AMS	Production (tons)	Import Tones	Export Tones	% Export / Production	% Import / Total Consumption
Brunei Darussalam	3,387	13,956	1,498	44.23%	80.47%
Cambodia	729,468	7,865	32,000	4.39%	1.07%
Indonesia	19,357,601	264,893	1,228,475	6.35%	1.35%
Lao PDR	148,165	5,995	9	0.01%	3.89%
Malaysia	2,023,487	463,234	246,024	12.16%	18.63%
Myanmar	4,717,620	9,528	376,848	7.99%	0.20%
Philippines	4,708,790	257,910	317,973	6.75%	5.19%
Singapore	6,809	206,906	47,906	703.48%	96.81%
Thailand	2,822,344	1,667,847	1,618,684	57.35%	37.14%
Vietnam	6,023,871	339,272	1,528,850	25.38%	5.33%

Key Takeaways:

- The top food fish producers (including aquatic plants in ASEAN are Indonesia, Vietnam, Myanmar, and the Philippines.
- The top three exporters of food fish (by quantity) in ASEAN are Thailand, Vietnam, and Indonesia.
- The top three importers of food fish (by quantity) in ASEAN are Thailand, Malaysia, and Vietnam.
- Trading reliance: Singapore (96%) and Brunei (80%) are most reliant on imports, while Singapore (700%, indicating high value-add and warehousing), Thailand (57%), Brunei (44%), and Vietnam (25%) have substantial relative exporting industries.

⁷² Source: FAOStat – inclusive of aquatic plants (a future priority for ASEAN GAqP)

Poultry (Meat and Eggs) Production and Trade Volume: 2013

AMS	Production (tons)	Import Tones	Export Tones	% Export / Production %	% Import / Total Consumption
Brunei Darussalam	33,932	3,702	27	0.08%	9.84%
Myanmar	1,621,233	1,540	0	0.00%	0.09%
Indonesia	3,376,198	3,017	3	0.00%	0.09%
Cambodia	49,650	1,353	0	0.00%	2.65%
Lao PDR	42,189	0	0	0.00%	0.00%
Malaysia	2,038,271	47,932	126,862	6.22%	2.30%
Philippines	1,547,865	100,213	7,186	0.46%	6.08%
Singapore	124,599	223,619	12,253	9.83%	64.22%
Thailand	2,532,800	12,394	737,682	29.13%	0.49%
Vietnam	1,010,980	115,216	1,089	0.11%	10.23%

Key Takeaways:

- The top three poultry/egg producers in ASEAN are Indonesia, Thailand, and Malaysia.
- The top two exporters of poultry/egg (by quantity) in ASEAN are Thailand and Malaysia.
- The top three importers of poultry/egg (by quantity) in ASEAN are Singapore, Vietnam, and the Philippines.
- Trading reliance: Singapore (64%) is most reliant on imports, while Thailand (29%), Singapore and Malaysia have substantial relative exporting industries.

Fruit & Vegetables Production Volume: 2013⁷³

AMS	Production (tons)
Brunei Darussalam	19,510
Myanmar	7,061,450
Indonesia	26,247,000
Cambodia	1,000,373
Lao PDR	1,676,412
Malaysia	2,177,643
Philippines	22,254,350
Singapore	24,607
Thailand	14,873,775
Vietnam	22,102,162

Key Takeaways:

- The top four fruit & vegetable producers in ASEAN are Thailand, Indonesia, Philippines, and Vietnam.
- The bottom three fruit & vegetable producers in ASEAN are Brunei, Singapore, and Cambodia.

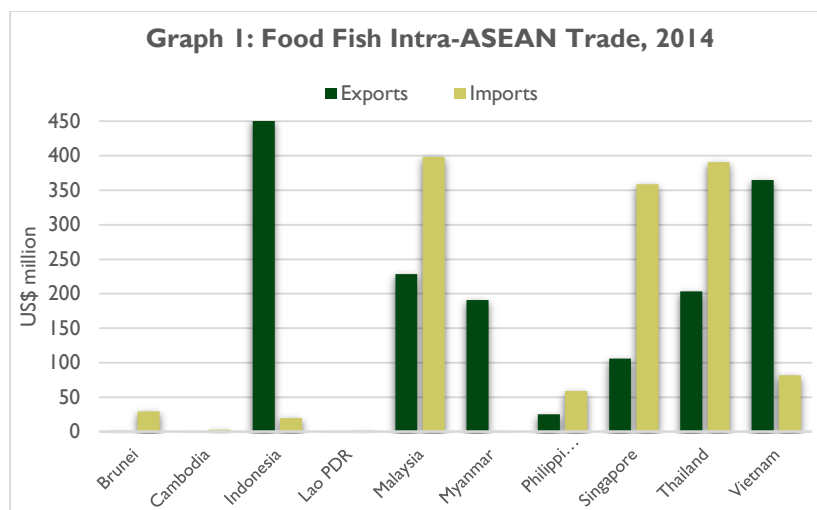
5.2 Balance of Trade Analysis: Intra-ASEAN and World-ASEAN trade

The following graphical illustrations present the balance of trade (import value vs. export value) for each AMS, in each of the target sub-sectors, expressed in US dollars.⁷⁴ These graphs separately examine intra-

⁷³ Available data from FAOStat does not provide quantity-based trade figures for fruit and vegetables.

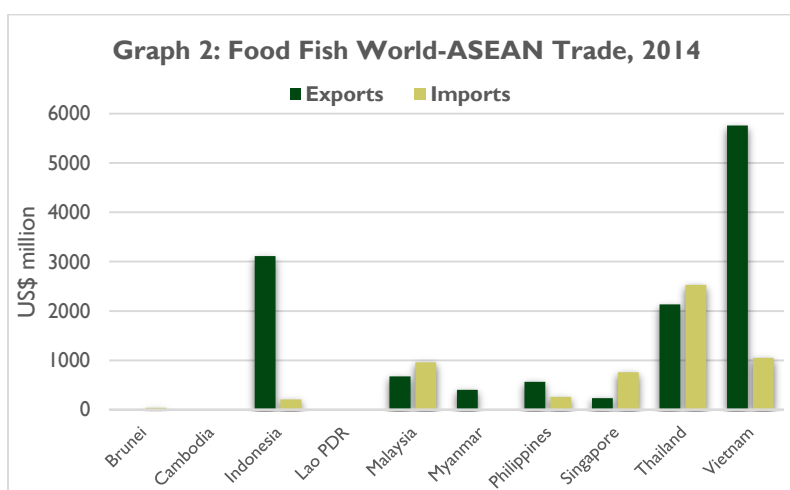
⁷⁴ Source: ASEANStats and International Trade Centre. Food fish trade value data excludes aquatic plants.

ASEAN trade (trade between AMS) and world-ASEAN trade (trade with the world, including ASEAN) to illustrate the relevance of regional trade and global trade in target sub-sectors for each AMS.



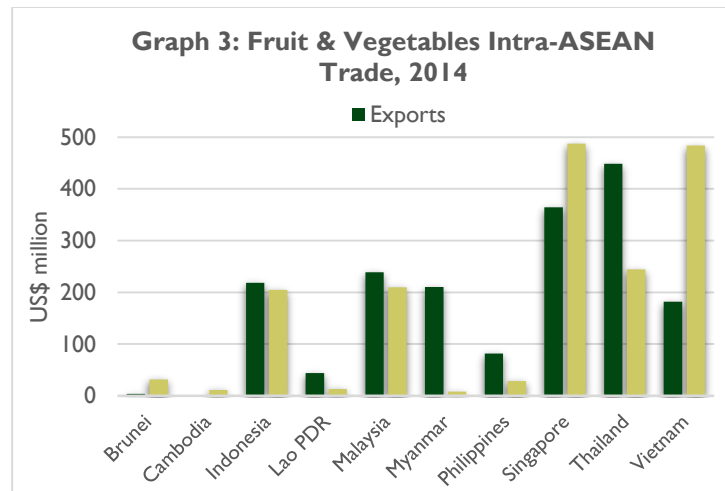
Key Takeaways:

- The top three intra-ASEAN exporters of fish (by value) are Indonesia, Vietnam, and Malaysia.
- The top three intra-ASEAN importers of fish (by value) are Malaysia, Thailand, and Singapore.
- Singapore, Malaysia, and Thailand each have a deficit in intra-ASEAN fish trade.
- Vietnam, Myanmar, and Indonesia have a substantial trade surplus in intra-ASEAN fish trade.



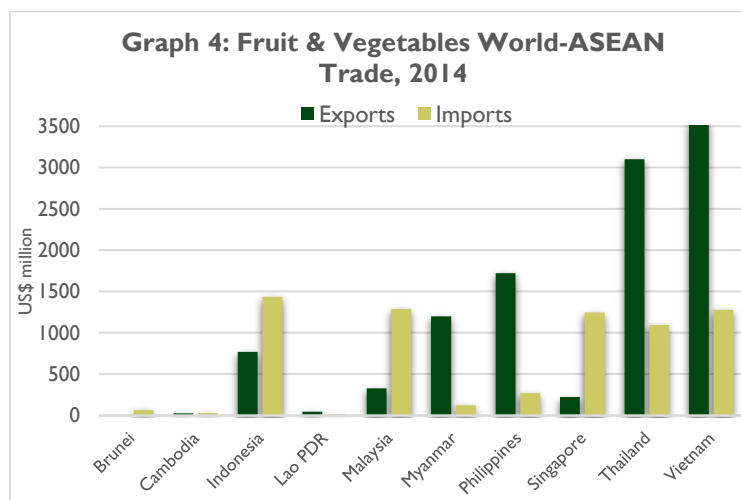
Key Takeaways:

- The top three exporters of fish (by value) are Vietnam, Indonesia, and Thailand.
- The top three importers of fish (by value) are Thailand, Vietnam, and Malaysia.
- Vietnam, Indonesia, Myanmar, and Philippines have a trade surplus in food fish world trade.
- Thailand, Singapore, and Malaysia have a trade deficit in food fish world trade.



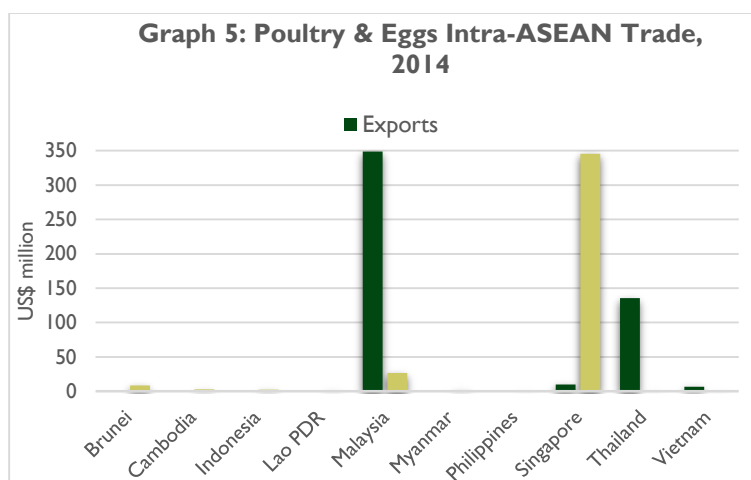
Key Takeaways:

- The top three intra-ASEAN exporters of FV (by value) are Thailand, Malaysia, and Indonesia.
- The top three intra-ASEAN importers of FV (by value) are Singapore, Vietnam, and Thailand.
- Brunei, Cambodia, Singapore, and Vietnam have intra-ASEAN deficits in FV trade.
- Thailand, Myanmar, Philippines, Malaysia, and Indonesia intra-ASEAN surpluses for FV.



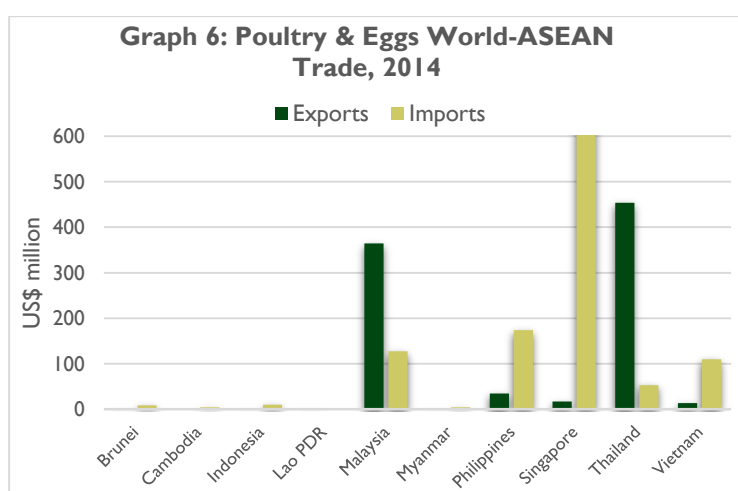
Key Takeaways:

- The top three exporters of FV (by value) are Vietnam, Thailand, and Philippines.
- The top three importers of FV (by value) are Indonesia, Malaysia, and Vietnam.
- Vietnam, Thailand, Philippines, and Myanmar have a trade surplus for FV world trade.
- Singapore, Malaysia, and Indonesia have a trade deficit for FV world trade.



Key Takeaways:

- *Thailand and Malaysia are the most substantive intra-ASEAN exporters of poultry/egg.*
- *Singapore and Malaysia are the most substantive intra-ASEAN importers of poultry/egg.*
- *Singapore imports approximately the same value of poultry/eggs that Malaysia exports.*
- *Malaysia, Thailand, and Vietnam are the only AMS to have a surplus in intra-ASEAN trade of poultry/egg.*



Key Takeaways:

- *Thailand and Malaysia are the largest AMS exporters of poultry/egg (by value) to the world, and are the only two AMS with a trade surplus.*
- *Singapore is by far the largest importer of poultry/egg (by value) from the world.*
- *The Philippines and Vietnam have a trade deficit of poultry/egg trade with the world.*

5.3 Direction of Trade and Key Bilateral Relationships

Based on trade data from ASEANStat and International Trade Center, the Fintrac consultant team created a heat map below to gauge the relative reliance of each AMS on other AMS for exports and imports in each target sub-sector (the darker the color, the greater the reliance on ASEAN trade).

	Poultry & Eggs		Fruit & Vegetables		Fish	
	IMPORT	EXPORT	IMPORT	EXPORT	IMPORT	EXPORT
Brunei		N/A				
Cambodia		N/A				
Indonesia						
Lao PDR						
Malaysia						
Myanmar						
Philippines						
Singapore						
Thailand						
Vietnam						
TOTALS	3M, 3S, 4L	1M, 3S, 4L	3M, 3S, 5L	4M, 1S, 6L	2M, 2S, 6L	2M, 2S, 6L

The following observations on the current direction of trade should be taken into account in designing a MRA for ASEAN Agricultural Best Practices:

- *Lao PDR is the AMS with the highest reliance on intra-ASEAN trade in the covered sectors.*
- *Thailand and the Philippines are the least reliant on intra-ASEAN trade in the covered sectors.*
- *The fruit and vegetables sector is the most reliant on intra-ASEAN trade, suggesting stronger interest in an MRA that improved trade facilitation.*
- *The food fish sector is relatively less reliant on intra-ASEAN trade than the two other sectors (fruits/vegetables, and poultry/eggs).*
- *Overall, however, the relatively similar profile of reliance on AMS vs. non-AMS trade may be an argument in favor of a single cross-sectoral mechanism to bolster trade through mutual recognition of ASEAN Agricultural Best Practices.*

Data on intra-ASEAN and ASEAN-world trade in the sectors covered highlights key trading relationships. The following ten tables lay out, by AMS, major trade partners (source and destination) and percent of trade to and from non-AMS partners.

Table 1: Brunei Trade Relationships

	Poultry & Eggs	Fruit & Vegetables	Fish
% export to non-AMS	0	2%	70%
% import from non-AMS	1.5%	52%	18%
Major AMS Destination	VN	MY	MY, TH
Major AMS Source	MY	MY, TH	MY, SG

Table 2: Cambodia Trade Relationships

	Poultry & Eggs	Fruit & Vegetables	Fish
% export to non-AMS	0	2%	80%
% import from non-AMS	40%	52%	21%
Major AMS Destination	N/A	VN, SG	TH, VN
Major AMS Source	TH	VN, TH	TH, VN

Table 3: Indonesia Trade Relationships

	Poultry & Eggs	Fruit & Vegetables	Fish
% export to non-AMS	50%	72%	85%
% import from non-AMS	79%	86%	91%
Major AMS Destination	SG	PH, SG	TH, VN, MY
Major AMS Source	MY	TH, MM	MY, TH, VN

Table 4: Lao PDR Trade Relationships

	Poultry & Eggs	Fruit & Vegetables	Fish
% export to non-AMS	100%	5%	5%
% import from non-AMS	4%	13%	7%
Major AMS Destination	N/A	TH, VN	TH
Major AMS Source	TH	TH, VN	TH, VN

Table 5: Malaysia Trade Relationships

	Poultry & Eggs	Fruit & Vegetables	Fish
% export to non-AMS	4%	27%	66%
% import from non-AMS	79%	84%	59%
Major AMS Destination	SG, TH, BN	SG, TH, ID	SG, VN, ID, TH
Major AMS Source	TH, SG	TH, MM, VN	ID, TH

Table 6: Myanmar Trade Relationships

	Poultry & Eggs	Fruit & Vegetables	Fish
% export to non-AMS	100%	82%	52%
% import from non-AMS	52%	93%	86%
Major AMS Destination	N/A	SG, VN	TH, SG, MY
Major AMS Source	SG, TH	TH, SG	SG, TH

Table 7: Philippines Trade Relationships

	Poultry & Eggs	Fruit & Vegetables	Fish
% export to non-AMS	99.5%	95.3%	95.6%
% import from non-AMS	99.9%	89%	77%
Major AMS Destination	BN	SG, MY	SG, VN, TH
Major AMS Source	SG	MM, ID	VN

Table 8: Singapore Trade Relationships

	Poultry & Eggs	Fruit & Vegetables	Fish
% export to non-AMS	40%	43%	54%
% import from non-AMS	44%	61%	53%
Major AMS Destination	ID, MY	MY, ID	MY, VN
Major AMS Source	MY	MY, ID	ID, MY, VN

Table 9: Thailand Trade Relationships

	Poultry & Eggs	Fruit & Vegetables	Fish
% export to non-AMS	70%	86%	90%
% import from non-AMS	100%	78%	85%
Major AMS Destination	LA	VN, ID	VN, MY
Major AMS Source	N/A	VN, KH	ID, VN

Table 10: Vietnam Trade Relationships

	Poultry & Eggs	Fruit & Vegetables	Fish
% export to non-AMS	51%	95%	93.7%
% import from non-AMS	99.8%	62%	92%
Major AMS Destination	SG, MY	SG, MY	TH, SG
Major AMS Source	MY	KH, TH	ID, TH

6. Assessment of AMS Standards and Conformity Assessment Systems

To assess the current practices, infrastructure, and capacity present across AMS, Fintrac distributed a stakeholder questionnaire through the ASEAN Secretariat which was distributed to AMS stakeholders via national focal points on June 20, 2016. During the period from June 20 to September 3, Fintrac received stakeholder responses as follows:

	Section 1 - Administrators of National Standards			Section 2 - Private Sector Representatives			Section 3 - Trade related Licensing Stakeholders			Section 4 - Representatives negotiating MRAs			Section 5 - Customs Agency Representatives			TOTAL
	GAP	GAqP	GAHP	GAP	GAqP	GAHP	GAP	GAqP	GAHP	GAP	GAqP	GAHP	GAP	GAqP	GAHP	
Brunei	1			2												3
Cambodia	1			1												2
Indonesia	1	1	1				1	1	1	1	1	1	1	1	1	12
Lao PDR	1															1
Malaysia	1	1	1													3
Myanmar	1	1	2		1	1	1	1	1		1		1	1	1	13
Philippines	2	2	3	2	1											10
Singapore	1	1	1	2	3	3										11
Thailand		2														2
Vietnam	1		1													2
TOTAL	10	8	9	7	5	4	2	2	2	1	2	1	2	2	2	59

The following sections summarize these responses, and formulate the basis for recommendations.

6.1 Standards System Management

From the information provided in the returned questionnaires, it quickly became apparent that some AMS are more advanced in their implementation of good agricultural practices, but that all countries were progressing in the same general direction of improvement.

The responses to questionnaires regarding GAP systems in AMS showed that:

- All 10 of the responding countries have legislation in place governing food safety.
- Eight of the ten reporting countries have all or most of the legislation in place covering all GAP legislation, for food produced in their own countries, including: Food Safety, Worker Health and Safety, Environmental Protection, Pesticide usage, storage, packaging, and transportation.
- Six of the countries reporting had legislation that governs food safety of imported products, five countries have legislation covering additional GAP requirements for imported products.
- All best practice systems were State administered, usually – but not always – with the different standards being run by the respective departments within the most appropriate Ministry.

Without exception, AMS Standards were all administered by national governments – via the relevant Ministries and departments or bureau:

- Ministries of Agriculture
- Ministries of Agriculture; Forestry, Fisheries
- Ministries of Agriculture and Rural Development
- Departments/Bureau of Fish and Aquatic resources
- Bureau of Agricultural Commodity and Food Standards
- Bureau of Plant Industry
- Department of Agriculture and Fisheries

- *Agri-Food and Veterinary Authority*
- *Three of the responding ASEAN Member States have GAP standards managed by a Department of Standards.*

The various activities covering GAP, GAqP and GAHP standards were reportedly covered by Boards, National Technical/Steering and Working Committees, external meetings, and sometimes with input from private commercial companies. Additionally, standards were reported to be written by appropriate committees, or government departments.

Overall, the respondents show a tendency to align their Best Practices Standards to ASEAN Standards.

- *Of the nine AMS who reported national GAP standards, four have GAP standards aligned to the ASEAN GAP Standard, and five AMS are planning to align standards to the ASEAN GAP Standard, or initially based their national Standard on the ASEAN GAP Standard.*
- *Of the six AMS with national GAqP Standards, five are aligned to the ASEAN GAqP Standard.*
- *Of the six national GAHP Standards, four are aligned to the ASEAN GAHP Standard, and two AMS are working on aligning their GAHP Standards with the ASEAN Standard.*

No government-administered Best Practices Standards or standards implementation systems were reported to be aligned with commercial standards or international standards. No commercially operated Best Practices Standards were reported in any of the countries responding. Additionally, all standards were reported to be voluntary standards.

Certification Bodies (CBs)

All AMS have CBs run by Government departments. Of the nine countries who responded to this question, four AMS confirmed that CBs were independent of standard setting bodies, and five countries confirmed that CBs were not independent of the standard setting agency.

Accreditation Bodies (ABs)

Accreditation of CBs is carried out by government in all responding countries. Four of the AMS national accreditation bodies have themselves been accredited by the highly respected International Accreditation Forum (IAF) to ISO Standard 17021 (requirements for bodies providing audit and certification of management systems). IAF have also accredited private sector accreditation organizations within AMS countries – but there may be no overlap in the sectors and sub-sectors in which Government ABs and private sector ABs work. This will need to be confirmed.

Numbers of Producers Certified

The number of producers certified was generally quite low. Combined numbers across respondents are:

- *2,208 GAP Standards certification (ranging from 1 to 1304 certifications per country).*
- *192 GAqP Standards certifications (ranging from 2 to 184 certifications per country).*
- *454 GAHP Standards certifications (Poultry and Meat) (ranging from 3 to 400 certifications per country. In addition, one country suggested that many more producers may have been certified to GAHP, but figures were not provided.*

According to survey responses received, the numbers of farms (and groups) currently certified under the national standards for each AMS are:

National Standard Certifications by AMS <i>Number of farms (number of groups) reported</i>			
	GAP	GAqP	GAHP
Brunei	1		
Cambodia	1		
Indonesia	15	2	5
Lao PDR	5 (11)		
Malaysia	750	184	400
Myanmar	27	3	
Philippines	99 (31)		8 (4)
Singapore	8	3	3
Thailand			
Vietnam	1304		38
TOTAL	2208	192	454

The total number of ASEAN Member State producers who are GLOBALG.A.P. certified (plus producers undergoing certification) is substantially lower, as shown below:

GLOBALG.A.P. Certificate Holders and Producers under Certification in ASEAN States						
	GLOBALG.A.P. F&V		GLOBALGAqP Aquaculture + Crustacean		GLOBALG.A.P. Poultry	
	Certificate holders	Producers under certification	Certificate holders	Producers under certification	Certificate holders	Producers under certification
Total	85	457	62	63	0	0

Product Standards (Quality or Marketing Standards)

The situation with regard to Product Standards (Quality or Marketing Standards) is less uniform than with Best Practices Standards. AMS reported:

- Two nations have fruit and vegetable standards. Of these two countries, one has adopted ASEAN Fruit and Vegetable Product Standards, the other plans to adopt the Standards in 2016-17. One further nation plans to introduce standards in 2016-17, and another may adopt ASEAN standards.
- Four AMS have national product standards for food fish.
- Four AMS have national product standards for poultry (meat and eggs).

Some commercial companies reported that they work to their own product (marketing) standards within the ASEAN region, but they also work to their international customer's (private) commercial standards.

6.2 Current Infrastructure for Standards and Conformity Assessment Implementation

In addition to information on the standards administration, respondents summarized their available infrastructure, institutions, and capacity as follows:

Criteria	Summary of Stakeholder Responses
Trade experts	The general response was that while trade experts are definitely present, they are not always available in all fields
Government officials responsible for inspections, including farms, customs, etc.	Again, the general response was that while government inspection officials were present, there were gaps in availability/numbers required, e.g. for phytosanitary inspection and customs inspections. In some instances, trained officials were present but were still acquiring experience/skills.

Criteria	Summary of Stakeholder Responses
Government department responsible for agrochemicals (approvals, legislation, training, etc.)	Nine of ten countries responded to this question and confirmed that they have Government departments responsible for agrochemicals.
Research centers	Seven respondents reported that they had research stations; two countries confirmed they had research facilities for production of some products, but not all, and a tenth country reported that it did not have research stations.
Weather information	This was reported as present by all nine AMS who responded to the question.
Extension	Extension services were present in all ten countries who responded to this question. Limitations were noted in some sectors, and one country reported practical limitations may be present in some distant, rural, smallholder production areas.
National experts to train extension officers	Six of nine countries responding recorded national experts as present; an additional country reported more training was required for specialists, and two more AMS reported an absence of trained specialists in some sectors. A lack of mobility was also recorded.
Training/Training for small farmers	All ten countries responding to this question reported training was available, sometimes with limitations. Training for small farmers was reported to be generally in place.
Training on Standards	Nine countries who responded to this question reported training was available on standards requirements.
Use of media TV, Radio etc. Journals etc.	All ten countries reported that all or some media disseminates information, but sometimes with limitations, e.g. budgetary limitations.
Standards training in Universities and agricultural colleges	Nine countries who responded to this question said that modern training with information was present, but in two or three countries there were limitations.
Laboratories	Of ten responding AMS, eight countries reported that accredited laboratories were present. Of the eight countries, two reported some limitations on the tests that can be carried out.
Safe water for irrigation etc.	Eight countries reported good irrigation water as present, one country recorded it as not present, and a further country said it was not present in some sectors.
Support for food safe marketing at wholesale and retail level	All ten countries reported this requirement as present, with some limitations in three or four countries.
Access to credit for standards implementation.	Five countries reported this as present; three countries reported credit as not present, and two reported credit was available with limitations.

6.3 Challenges Reported by Stakeholders

Respondents to the questionnaire, reported the following challenges to implementing good practices for standards administration systems:

Challenge	Response
Knowledge	<ul style="list-style-type: none"> • “Limited knowledge of GAP” • “Low level of society awareness on the importance of standards” • “Limited technical knowledge from the standard users and limited number of experts Involvement of the industry” • “Educating traders and consumers to aware about food safety” • “Unclear perceived benefit of complying to standards” • “Need to raise the awareness of farmers and consumers”
Infrastructure	<ul style="list-style-type: none"> • “Availability of infrastructure” • “Lack of infrastructure”

Challenge	Response
	<ul style="list-style-type: none"> • “Unable to join the program” • “Resource person” • “Lack of manpower”
Funding	<ul style="list-style-type: none"> • “Limited funding” • “Challenges to reaching small producers - geographical condition and availability of funding”
Other	<ul style="list-style-type: none"> • “Usage by stakeholders” • “Low adoption of standards in the grass root level” • “Promotion of standards (especially the marketing aspect)” • “Small-scale producers” • “Marketing channels” • “Failure of consumer’s trust” • “No baseline data” • “No legislation support” • “Weak coordination with other ministries” • “Low adoption of standards in the grass root level” • “All standards are voluntary” • “Stakeholders participation” • “Lack of certification bodies for GAHP ASEAN” • “The capacity of the Department to focus on implementing the national standard as no specific division or task force is assigned for the implementation” • “Convincing farmers on the benefits of adapting to the certification process especially in terms of emphasizing the importance of quality and safety instead of just monetary aspects” • Can the product from a GAP farm can command a premium at the retail end”

7. Private Sector Market Survey

7.1 Key Takeaways for Engaging the Private Sector

After Consultative Workshop #1 and draft report #1, AADCP II, ASEC, and AMS representatives requested Fintrac conduct a market survey to understand current buy-side standards practices, determine buyer awareness/perceptions of the ASEAN Standards, and identify opportunities (if any) to engage the private sector in the implementation of an MRA model for the ASEAN Standards.

The survey targeted two types of market actors: (i) **buy-side companies** (typically, food retailers, traders and processors) and (ii) **strategic private sector partners** (actors with potential to participate in an eventual mutual recognition mechanism). Survey responses from each of these two types of market actors are considered separately below.

Overall, several important conclusions emerged after receiving feedback from 29 market actors (22 buy-side companies and seven strategic private sector partners) operating across the AMS:

Awareness of ASEAN Standards

- Only 50 percent of the buy-side market actors surveyed were aware of the ASEAN Standards.
- Those who indicated awareness were unable to elaborate on the standards, so we are unable to conclude if they are viewed as too strong, too weak, etc.
- The limited awareness reflects the low uptake of ASEAN Standards at the farm level. This may suggest the need for a robust awareness raising campaign through the implementation of the MRA, which should take place not only at the national focal point and regulator level, but critically at the buyer level.

Perception of ASEAN Standards

- Encouragingly, the vast majority of respondents see the implementation of regional standards across AMS as a positive development for their business interests.
- National Standards are widely used by buyers; however, they are rarely used as a standalone standard. Buyers often employ global standards and/or private commercial standards in addition to national standards.
- This finding suggests that the national standards that are harmonized or aligned with ASEAN Standards will serve an important function in the market as a minimum requirement for buyers across AMS, but farmers accessing higher value market segments are likely to be required to additionally meet global standards and/or private commercial standards.
- The ASEAN Standards, currently designed as a minimum standard, will play a more significant role in intra-regional markets, but are not expected to facilitate access to extra-regional markets on their own. With inclusiveness as a goal expressed by ASEC and AADCP II, the ASEAN Standards, as a minimum standard, can be expected to be more accessible to least developed AMS for domestic and intra-regional market development.

Engagement with ASEAN Standards

- There is definitely scope and interest to engage the private sector in the implementation of a sectoral MRA for agri-food.
- It is important to distinguish between engaging individual buyers, and engaging strategic partners that represent the interests of private sector actors all along the value chain.
- Individual buyers can provide insights and recommendations based on the practical challenges they face sourcing safe, compliant food at the AMS level; however, it may prove difficult to integrate the involvement of dozens of different companies in a joint sectoral committee for implementation.

- *Strategic partners are member-based entities that represent individual companies operating across AMS, and they offer ASEC and AMS an efficient means to integrate the views, interests, concerns, and recommendations of many private sector actors. They may represent private sector actors all along the value chain – including input providers, producers, processors, manufacturers, distributors, and retailers.*
- *Strategic Private Sector Partners should be viewed as potentially highly valuable in promoting uptake of ASEAN Standards, through promotion among their buy-side member companies. Therefore, they would be logical representatives of the private sector in any MRA model that incorporates private sector participation.*
- *Strategic partners expressed an interest in engaging in the design of the MRA sooner rather than later so they may understand the process and identify areas of mutual interest for collaboration during implementation.*

Additional Takeaways from the Private Sector

- *It is important that both national standards and conformity assessment bodies are recognized across borders.*
- *CAB recognition is critical to streamline port logistics which is seen as a major impediment to sourcing fresh produce across borders.*
- *Standards should be designed and administered with the food consumer's concerns in mind first and foremost.*
- *Some national standards are viewed as being used to create trade barriers to protect local producers. It is important that any MRA addresses national governments erecting new protectionist barriers to trade.*
- *A recognized regional standard should be seen as positive for local producers and domestic food industries by encouraging upgrading of practices when faced with competition.*

7.2 Background and Overview

During the first consultative workshop in Jakarta (August 30-31, 2016), AMS representatives expressed a strong interest in incorporating perspectives from private sector actors into the design of a MRA model for the ASEAN Standards. This interest reflects the precedent set by other sectoral MRAs being implemented across AMS, such as the ASEAN Tourism MRA, which integrated private industry association representatives into the Joint Sectoral Committee for implementation.

At the first consultative workshop, AMS representatives had little clarity on whether private sector firms would be interested in participating in this initiative and how to engage them within an MRA implementation mechanism. AMS representatives concluded that it was critical to conduct a rapid market survey of private sector organizations to better understand their current sourcing practices, assess their perceptions of the utility of the ASEAN Standards and determine how they may be engaged in the implementation of a MRA for the agri-food sector.

In October and November 2016, the Fintrac consultant team designed and conducted a rapid market survey. Information and data from the survey will inform and advise AMS, ASEC, and AADCP II on the potential opportunities and challenges for private sector involvement in the implementation of a MRA model for the ASEAN Standards.

The survey was divided into two separate but complimentary components:

1. **Structured survey - buy-side companies:** A structured survey was administered via Survey Monkey, targeting individuals directly engaged in sourcing decisions, supplier relationships, category buying, logistics, senior management, and other key functions related to procurement. The types of companies targeted included national retailers, regional retailers, importers, exporters, wholesalers/distributors, and food processors/manufacturers. The results present a snapshot of the status quo of fresh food sourcing practices among major buyers across AMS, the

standards they employ, their perceptions toward the development of the ASEAN Standards, and their interest in engaging directly in the implementation of a sectoral MRA for agri-food. The structured nature of the survey allows us to quantify results and draw general conclusions based on the responses provided.

2. **Strategic discussions - private sector partners:** Phone discussions with potential strategic partners were administered simultaneously, but separately from the structured survey. These are companies and organizations that represent the interests and concerns of agribusinesses (buy-side and supply-side) operating in/across the AMS. These companies are viewed as strategic partners because they have the potential to enable ASEC, AADCP, and AMS to engage the private sector efficiently at both a regional level and country level - working through a regional member based organization or representative of dozens of agribusinesses operating in one or many AMS.

7.3 Structured Survey - Buy-Side Companies

The rapid market survey reached commercial actors engaged in the sourcing of fresh food (fruits/vegetables, fish, poultry) across the AMS, and included retailers, importers/exporters, distributors, processors, and national-level associations representing buyer interests, to inform three key areas of concern:

- What is the private sector's awareness of the ASEAN Standards across AMS operations?
- What is the private sector's perception of the ASEAN Standards across AMS operations?
- What are the possibilities for private sector engagement to implement an agri-food MRA?

Methodology

- Designed survey instrument (see full survey questionnaire in Annex 1).
- Identified key points of contact and business representatives engaged in agri-food sourcing decisions including retailers, processors, importers/exporters, distributors, and national industry associations.
- Contact was initiated via LinkedIn, email, telephone, and Skype.
- Survey was administered via Survey Monkey.

Outreach

The following table presents the number of private sector actors contacted by the Fintrac team. The table is divided by AMS and by value chain segment. In total, the Fintrac team contacted 210 private sector actors engaged in agri-food sourcing across the 10 AMS. It is evident that there are higher numbers of retail operations in certain AMS than in others, therefore it was not possible to contact an equal number of actors in each AMS. Nonetheless, we were able to identify and contact relevant market actors in all ten AMS and a substantial number of market actors overall.

Country	Retailer	Distributor	Processor	Association	Total Sent
Brunei	3				3
Cambodia	7	1			8
Indonesia	36	11	1	1	49
Lao PDR	1	1			2
Malaysia	9		1		10
Myanmar	7	3			10
Philippines	31	11	2	2	46
Singapore	20	1	1		22
Thailand	13	2	2	6	23
Vietnam	19	1			20
Regional	3	1		13	17
TOTAL	149	32	7	22	210

Survey Results

There were 22 responses to the 210 surveys sent to private sector contacts, reflecting a 10.5 percent response rate. Given the methodology of administering the survey remotely and virtually, and the challenges associated with multi-country language barriers, the Fintrac team is encouraged by the response rate and the constructive feedback received.

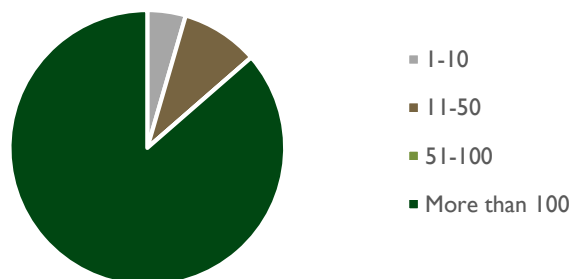
While the results should not be considered statistically significant relative to the overall population of buy-side market actors across the entire region, there are several important lessons and conclusions that can be drawn from the results, which will aid in the design of an agri-food MRA.

The following section details the responses to each survey question and provides a brief analysis of the relevance of the responses provided. The initial survey questions were designed to understand the respondent profile, including the size of and location of the companies surveyed, then the questions turned more specifically to the current application of agri-food standards, awareness/perceptions of the ASEAN Standards, and willingness to engage in the initiative.

Question 1: How many employees does your company have?

Answer Options	Response Percent	Response Count
1-10	4.5%	1
11-50	9.1%	2
51-100	0.0%	0
More than 100	86.4%	19
answered question		22
skipped question		0

How many employees does your company have?



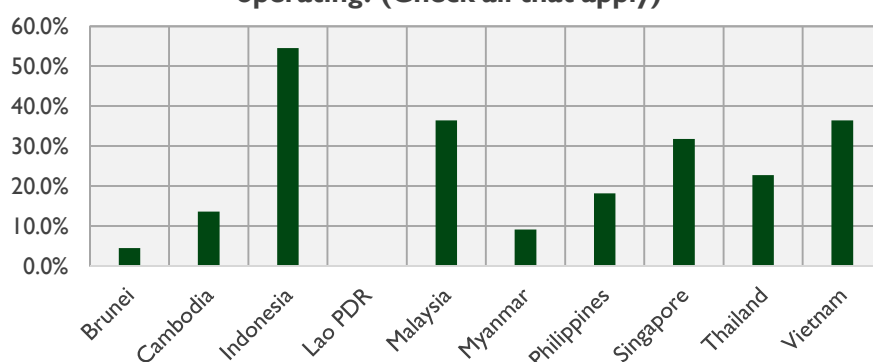
Question 1 Analysis: Overall, the respondents to the survey represented large companies with more than 100 employees. As Question 4 will illustrate, the large companies overall were more likely to require their suppliers to meet formal standards.

Question 2: In which ASEAN countries is your company operating? (Check all that apply)

Answer Options	Response Percent	Response Count
Brunei	4.5%	1
Cambodia	13.6%	3
Indonesia	54.5%	12
Lao PDR	0.0%	0
Malaysia	36.4%	8
Myanmar	9.1%	2
Philippines	18.2%	4

Question 2: In which ASEAN countries is your company operating? (Check all that apply)

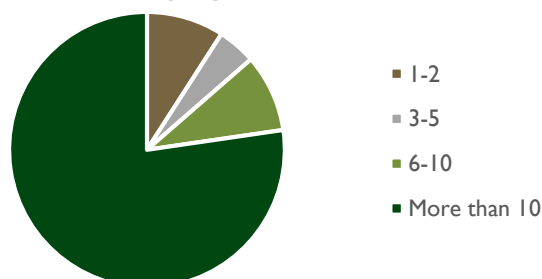
Answer Options	Response Percent	Response Count
Singapore	31.8%	7
Thailand	22.7%	5
Vietnam	36.4%	8
answered question		22
skipped question		0

In which ASEAN countries is your company operating? (Check all that apply)

Question 2 Analysis: The spatial distribution of respondents' operations is relatively broad across AMS; however, it is evident that certain AMS have higher relative proliferation of retail operations than other AMS. Lao PDR, Brunei, Myanmar, and Cambodia have the fewest operations represented in the survey, and this likely corresponds to the relative volume of retailers in each AMS. Importantly, the answers to this question indicate that many respondents are operating across multiple AMS, suggesting they are sourcing food both domestically and regionally.

Question 3: How many branches of operation does your company have?

Answer Options	Response Percent	Response Count
1-2	9.1%	2
3-5	4.5%	1
6-10	9.1%	2
More than 10	77.3%	17
answered question		22
skipped question		0

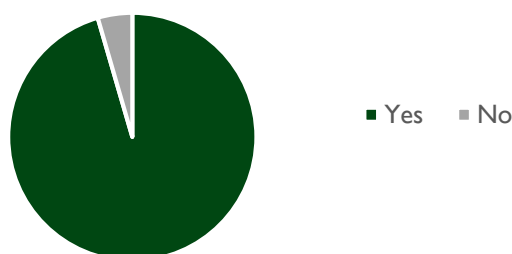
How many branches of operation does your company have?

Question 3 Analysis: Reinforcing the observation from Question 1, the answers to Question 3 illustrate that the majority of respondents represented large companies with multiple branches of operation in their host country and/or multiple branches across more than one AMS. Sophisticated logistics and streamlined import procedures are clearly needed since many of these companies are operating numerous branches.

Question 4: Do you require your suppliers to be compliant with formal agri-food standards for food safety, environmental protection, or worker safety?

Answer Options	Response Percent	Response Count
Yes	95.5%	21
No	4.5%	1
answered question		22
skipped question		0

Do you require your suppliers to be compliant with formal agrifood standards for food safety, environmental protection, or worker safety?



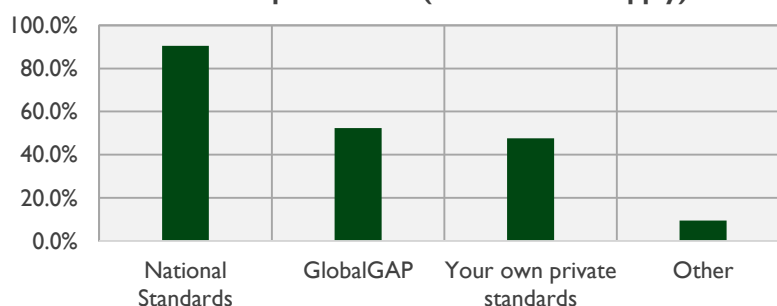
Question 4 Analysis: The respondents to this survey overwhelmingly apply some form of formal farm level process standards on their suppliers, indicating the potential relevance of an MRA for the ASEAN Standards to help them meet their business objectives. Examining these responses in tandem with Question 1, we observe that one respondent not applying formal standards was a large company operating in Cambodia (more than 100 employees, operating more than 10 branches across six AMS).

Alternatively, we observe that a small company (1-10 employees) operating in Indonesia is applying both national standards and their own private standard. These findings suggest that the standards applied by buyers are to some degree in response to consumer demand in the country of operation and/or encouragement of national standards from regulatory authorities. It also indicates that formal standards have yet to proliferate as widely in some AMS as in others.

Question 5: If you answered Yes to Question 4, which set of agri-food standards do you require your suppliers to be compliant with? (Check all that apply)

Answer Options	Response Percent	Response Count
National Standards	90.5%	19
GLOBALG.A.P.	52.4%	11
Your own private standards	47.6%	10
Other	9.5%	2
Please tell us why you chose this standard:		15
answered question		21
skipped question		1

If you answered Yes to Question 4, which set of agri-food standards do you require your suppliers to be compliant with? (Check all that apply)



Respondents were also asked to explain why they chose the standards that they apply, providing further insights into their decision making and the potential role of the ASEAN Standards as a minimum standard. Below is a summary of the standards applied and reasons provided:

Standards applied	Reason provided	Country of operation
National Standards Only	"Prescribed by government"	Indonesia
	"Because we supply to the hotels and retail operations domestically"	Myanmar (distributor)
	"It's a minimum requirement"	Indonesia
	"We require national standards first"	Myanmar (small retail operation, 11-50 employees, 2-5 branches)
National Standards + GLOBALG.A.P.	"To provide customers with the highest standard available"	Vietnam
	"For national standard, we follow government regulation. But a lot of our customers are foreigners and we are a premium retailer. We implement international standards as a service for customer trust"	Indonesia
	"Our company is part of an international company, so we expect suppliers to achieve the global standard"	Indonesia
National Standards + GLOBALG.A.P. + Own Private Standards	"Because IKEA has strict ethical procurement standards on top of the already stringent global standards, both of which exceed the national standard"	Indonesia
	"To comply with food safety and environmental concerns of customers"	Indonesia, Malaysia, Philippines, and Singapore
	"There is a defined standard which suppliers must fulfil, and they must be globally recognized standards"	Vietnam, Malaysia, Indonesia, Cambodia
Own Private Standard only	"The implementation of standards in my country is not a mandatory requirement yet, particularly in the fresh fruit business"	Indonesia
	"The national standards are not as advanced as our standards"	Philippines
No Standards	"The company operates in many countries in ASEAN, but in Cambodia we do not require suppliers meet standards"	Cambodia (large retail operation, >100 employees, >10 branches)

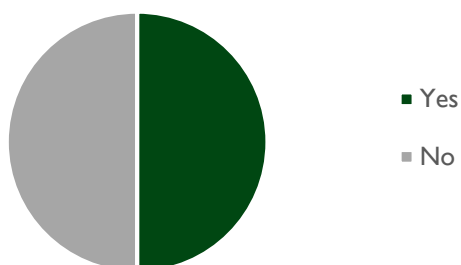
Question 5 Analysis: It is evident that national standards are an overwhelmingly common formal standards system applied across respondents of this buy-side survey. Interestingly, however, national standards are not the only standards applied by buyers. Many buyers are applying national standards as a minimum standard, plus GLOBALG.A.P. or their own private standards applied on top of the national standards to meet more rigorous requirements. This indicates a clear utility of aligning national standards against the

ASEAN Standards as an important minimum standard. However, it should *not* be assumed that this will address all process standards requirements that buyers may have - a role for international standards and private commercial standards is expected to remain - even as the ASEAN Standards proliferate.

Question 6: Are you familiar with the ASEAN agri-food standards, including Good Agricultural Practices for fruits/vegetables, Good Aquaculture Practices for food fish, and Good Animal Husbandry Practices for poultry products?

Answer Options	Response Percent	Response Count
Yes	50.0%	11
No	50.0%	11
If Yes, what do you know about these standards?		8
answered question		22
skipped question		0

Are you familiar with the ASEAN agrifood standards, including Good Agricultural Practices for fruits/vegetables, Good Aquaculture Practices for food fish, and Good Animal Husbandry Practices for poultry products?



If respondents indicated they were aware of the ASEAN Standards, they were asked to indicate what they know about them. The following table summarizes these open-ended responses:

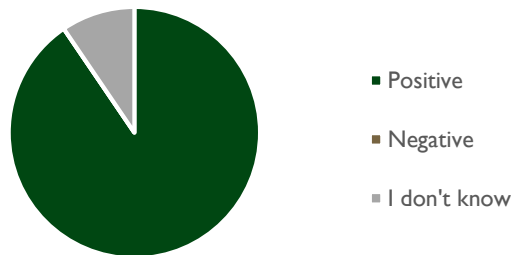
If Yes, what do you know about the ASEAN Standards?	Country of Operation
"They are for food security and sustainability"	Indonesia
"It's good for quality improvement"	Indonesia
"Requires 1.) food certificate of related manufactured country, 2.) their transportation practice, 3.) port inspection certificate 4.) arrived country's FDA certificate"	Malaysia, Singapore, Thailand
"The Singapore Agri-food & Veterinary Authority informed us"	Singapore
"Similar to VietGap"	Thailand and Vietnam
"GAP is being practiced by some farms"	Philippines
"I heard about GAHP"	Myanmar

Question 6 Analysis: This question was designed to determine the level of awareness among buy-side market participants about the ASEAN Standards. While 50 percent of respondents indicated they were aware of the standards, 50 percent were not. Further, the responses regarding what they know about the standards indicates that the knowledge is quite limited. These responses indicate that the implementation of a MRA will require a robust awareness raising effort to buy-side market actors at both the AMS levels and regional levels. This may take the form of direct engagement in the implementation of the MRA at the regional level and/or collaboration between competent authorities and private sector participants on the ground at the national level.

Question 7: Do you see the use of ASEAN-wide agri-food standards as something positive or negative for business and your food sourcing decisions?

Answer Options	Response Percent	Response Count
Positive	90.5%	19
Negative	0.0%	0
I don't know	9.5%	2
Please tell us why		10
answered question		21
skipped question		1

Do you see the use of ASEAN-wide agrifood standards as something positive or negative for business and your food sourcing decisions?



Respondents to question 7 were further asked to tell us why they felt that ASEAN-wide agri-food standards would be positive or negative to their businesses. The following table summarizes the explanatory responses provided:

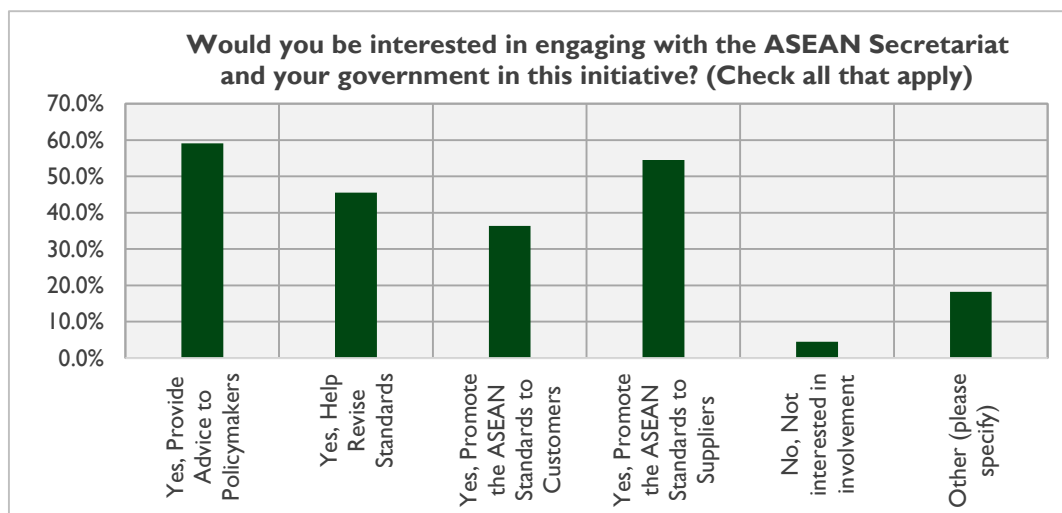
Response	Tell us why you think it will be positive or negative	Country of Operation
Positive	"Because it will help us increase Vietnam's food product quality as well as consumer health"	Vietnam
Positive	"Because it will formalize standards across the region and address Indonesian non-tariff barriers"	Indonesia
Positive	"Because it may improve potential trading among ASEAN countries"	Indonesia
Positive	"We need to gain trust from customers"	Malaysia, Singapore, Thailand
Positive	"I believe it will add value for our company to upgrade national standards on food safety"	Indonesia
Positive	"It will help companies to speak at the same level of quality. It will also enable ASEAN countries to fulfil its own demand"	Singapore, Philippines, Malaysia, Indonesia
Positive	"It will get the whole industry to step up to the next level."	Philippines
Positive	"It can increase food safety"	Myanmar
Positive	"This can facilitate sourcing procedures within ASEAN countries, BUT you need to demonstrate the benefits or advantages of ASEAN-wide agri-food standards compared to other global standards and existing national standards"	Vietnam
I don't know	"Because some issues are still there for national interest"	Indonesia

Question 7 Analysis: The responses to question 7 are encouraging for the implementation of an ASEAN MRA with buy-in from the private sector. Importantly, not one respondent indicated that they expected an ASEAN-wide agri-food standard to be negative for their business and only two respondents indicated that they didn't have enough information to make a determination.

This generally alleviates any lingering concern that the introduction of an ASEAN-wide agri-food standard would be perceived as increased regulation and a hindrance to business. Quite to the contrary, buy-side market actor respondents overwhelmingly expect this to have a positive effect on their business, regional food safety, and trade facilitation. This insight suggests that garnering buy-in from the private sector for the ASEAN Standard, even as a minimum standard to be used in tandem with global or private standards, is promising. Nonetheless, a respondent from Vietnam raises an important point that must be considered closely – how will the ASEAN Secretariat, AADCP II, and AMS authorities demonstrate the benefits of the ASEAN Standards compared to existing global and national standards? This should be considered in the implementation of an MRA through an awareness raising campaign regionally and at the country levels.

Question 8: The ASEAN Secretariat and agri-food officials from all ASEAN countries are currently considering ways in which ASEAN-wide standards could help increase agri-food trade. Would you be interested in engaging with the ASEAN Secretariat and your government in this initiative? (Check all that apply)

Answer Options	Response Percent	Response Count
Yes, Provide Advice to Policymakers	59.1%	13
Yes, Help Revise Standards	45.5%	10
Yes, Promote the ASEAN Standards to Customers	36.4%	8
Yes, Promote the ASEAN Standards to Suppliers	54.5%	12
No, Not interested in involvement	4.5%	1
Other (please specify)	18.2%	4
answered question		22
skipped question		0



The four respondents that selected “Other,” provided the following explanations:

Response	Explanation	Country of Operation
Other	“I need to see its results first”	Vietnam
Other	“Will only participate when deemed appropriate”	Malaysia
Other	“Policy makers need to understand the role of agri-food standards”	Myanmar
Other	“I would like to support this, but I’m not sure where I could contribute”	Indonesia, Malaysia, Philippines, Singapore

Question 8 Analysis: The responses to this question reinforce the possibility of engaging buy-side market actors in the implementation of an agri-food MRA, and dives deeper to identify tangible ways that the private sector could be engaged. Importantly, respondents were encouraged to mark all the ways they would like to be engaged (not only one), so many respondents did in fact indicate that there is more than one way that they would like to engage.

The most frequent answer provided (60%) was “Provide Advice to Policymakers,” presumably to ensure that their knowledge of the industry, and practical food sourcing concerns are taken into account.

The second most frequent response (55%) was “Promote the ASEAN Standards to Suppliers,” likely because without demand-side incentives (e.g. encouragement from buyers) their suppliers would be unlikely to take up these improved practices.

The third most frequent response (46%) was “Help Revise the Standards,” most likely because they recognize that market demands and dynamics are constantly shifting, and to remain relevant the ASEAN Standards will periodically require review and revision (as are notable global standards).

And the fourth most frequent response (36%) was to “Promote the ASEAN Standards to Customers,” likely because customers are often unaware of the specific process standards applied, but can be persuaded to change purchasing habits through effective branding messaging - potentially indicating a role for an ASEAN logo for GAP/GAqP/GAHP compliant food.

Other respondents (18%) are reticent to commit to engagement at this stage until it becomes clear how the MRA for ASEAN Standards will be implemented and where they can tangibly contribute.

Question 9: Please provide your name and contact information (optional) if you would like to engage in this process further.

Six of the 22 respondents provided contact information and expressed interest in potential engagement:

Name	Title	Company	Country	Contact
Sam Trung Dung	Area Operation Manager	Vinmart Supermarket	Vietnam	+84978146677
Mark Magee	General Manager and Director	IKEA Indonesia, and Hero Group	Indonesia	mark_magee@ikea.co.id
Hendra Pardede	Group Quality Assurance Manager	Hero Group	Indonesia	hendra_pardede@hero.co.id
U Kyaw Swa Wan	Logistics Manager	Premium Distribution Ltd.	Myanmar	+ 959 2540 16 806
Seah Weixiang	Senior Category Executive (Seafood)	NTUC Fairprice Co-operative	Singapore	weixiang.seah@fairprice.com.sg
Mr. Le Huy Hoang	Category Manager, Fresh Foods	Retail Supermarket	Vietnam	83lehuyhoang@gmail.com
Nurul Lina Hasyati	Supplier Relationship Manager	Hero Supermarket	Indonesia	LinkedIn
Kaing Sitheng	Category Manager	Lucky Supermarket	Cambodia	LinkedIn
Dr. Kyaw Htin	Managing Director	Kyaw Tha Ra Phu Trading Co. Ltd	Myanmar	kyawtharaphu@gmail.com

7.4 Strategic Discussions - Private Sector Partners

In addition to the buy-side structured survey, the Fintrac team also identified and reached out to potential strategic partners. Potential strategic partners are organizations who represent the private sector operating throughout AMS, but they are not themselves directly engaged in the sourcing of agri-food products. These organizations have mandates to engage in policy related matters and can garner feedback and/or direct participation from their commercial members. Strategic partners are efficient leverage points

for ASEC, AADCP II, and AMS representatives to receive the views, concerns, and recommendations of the commercial companies operating in the agri-food sectors across AMS

Below is a summary of the discussions that the Fintrac team had with seven potential strategic partners. This includes possible ways these actors could be engaged through the remainder of the design process as well as through implementation mechanisms for the MRA model:

Food Industry Asia: A member-based organization in Singapore that represents dozens of major multi-national food and beverage companies operating across ASEAN. On November 2, the Fintrac team spoke with YiFan Jiang, Regional Regulatory Affairs Manager for FIA:

- *Their three pillars of interest are food safety, harmonization, and health & nutrition. They have great interest in the harmonization of standards in Southeast Asia.*
- *They want to continue supporting the prepared foodstuff working group particularly on labor standards and promoting harmonized standards. This working group is currently made up of regulators, but FIA is involved as ancillary industry representatives as they would like their members' positions to be considered.*
- *They have 40 member companies involved in processing who are sourcing primary produce for manufacturing, and they are operating across borders in ASEAN.*
- *Many members currently use their own standards as they are stronger than national standards. They support harmonizing national standards across countries.*
- *They are engaging in capacity building and information sharing across countries, particularly in the least developed countries.*

Grow Asia: A regional initiative based in Singapore, created by the World Economic Forum in collaboration with the ASEAN Secretariat, and with operational funding from DFAT (60%) and Canada (40%). It was recently unanimously endorsed by the SOM-AMAF. On November 10, the Fintrac team spoke with Jenny Costelloe, Grow Asia's Director for Country Partnerships:

- *Grow Asia is a partnership platform for facilitating tri-sector partnerships between the private sector, government, and non-profits for the benefit of sustainable, smallholder-led agricultural development across AMS.*
- *Grow Asia's business council is made up of several multinational, regional, and domestic food and ag businesses operating in SE Asia including Unilever, PepsiCo, Metro Cash & Carry, Cargill, Yara, Syngenta, Olam, Jolibee, and more. Business council members include those engaged in offtake, processing, manufacturing, retail, and input supply.*
- *Country partnership models include facilitating working groups with participation from government, private sector, and non-profits. Also may include facilitating embedded services, such as engaging Syngenta and Yara to train farmers in proper crop protection protocol to achieve GAP.*
- *There are currently working groups in Cambodia, Vietnam, and Myanmar for fruits/veg and a working group in Vietnam for food fish.*
- *The standards that are supported by Grow Asia are dependent upon the demands from the private sector on the off-take side.*
- *Their direct engagement with the ASEAN Secretariat to date has been limited, but they are interested to identify tangible ways to engage/support initiatives in the agriculture sector, and implementation of an agri-food MRA is viewed as an area of potential interest, time permitting.*
- *The Grow Asia Secretariat does not formally represent their business council partners, but they can facilitate their involvement.*
- *The Grow Asia Secretariat will explore their interest in engagement in future MRA workshops and/or in the implementation of a MRA.*

- *There are two specific ways that Grow Asia can be engaged going forward: 1) they can reach out to their business council partners to determine their interest in engaging in the MRA implementation directly, or 2) the Grow Asia Secretariat could be invited to be a member or observer of a Joint Sectoral Committee for the implementation of the MRA, and they can reach out to their business council partners for their feedback and to solicit their buy-in on an as needed basis when relevant issues arise.*

US-ASEAN Business Council: Regional trade association based in Singapore with country offices in six of 10 AMS, representing more than 150 multi-national companies operating across all sectors in AMS (including dozens of global leaders in the food and beverage industry). The council promotes mutually beneficial trade and investment relationships between businesses operating across the ASEAN region. On November 11, the Fintrac team spoke with Marc Mealy, Vice President of Policy for the US-ASEAN Business Council, and the following was concluded:

- *The US-ASEAN Business Council is currently an observer in the ASEAN Food & Beverage Alliance.*
- *They often organize delegations of business leaders to visit the ASEAN Secretariat to identify areas of mutual interest for collaboration.*
- *They are engaging in policy dialogue with the ASEAN Secretariat through the SOM-AMAF in various sectors, including transport and finance, and would be very interested to expand the engagement of their agribusiness members in agri-food initiatives.*
- *In a range of sectors, the US-ASEAN Business Council has been recommending the use of MRAs, and they are very supportive of this initiative to design an agri-food MRA.*
- *They see strong synergies between this initiative and several members of their Food and Agriculture Committee, including Cargill, Yum Brands, PepsiCo, and others.*
- *Engaging the US-ASEAN Business Council can be done in various ways – engaging representatives of the Council itself, engaging executives of their ASEAN Business Club, and/or engaging the chairperson of their Food & Ag Committee (Cargill is currently the Chair of this committee).*
- *Representatives would be interested to participate in or observe consultative workshops and/or any joint sectoral committee for the implementation of the MRA. Their engagement can be facilitated at a regional level and/or at a bilateral level with all 10 AMS*
- *Representatives of the Council are extremely knowledgeable about MRAs and about the practical implications for the private sector. They have keen insights into MRA design considerations, including for instance the trade-off between increased market access provided by international standards vs. the inclusiveness of minimum standards, and how to balance these competing interests across the diversity of member states.*

CropLife Asia: CropLife is a global industry association representing crop protection companies, based in Brussels with regional offices that coordinate country-level office activities. CropLife Asia is a regional office based in Singapore, which coordinates country level offices in each of the AMS. They have a strong commitment to farmer stewardship of crop protection products, including appropriate storage, handling, use, and disposal of agro-chemicals, which are key requirements of GAPs. On November 15, the Fintrac team spoke with Dr. Sian Hee Tan, Executive Director based in Singapore and Dr. Andrew Roberts, Stewardship & Stakeholder Partnerships Director based in Bangkok:

- *CropLife Asia has been a trusted partner of ASEC for 14 years, working on harmonization of MRLs, successfully harmonizing over 1,000 MRLs in the region, and delivering training to regulators.*
- *SOM-AMAF recently expressed support for CropLife Asia's activities and requested they submit a 5 year plan for activities related to regulatory harmonization and mutual acceptance of SPS.*
- *The MRA for ASEAN Standards is seen as a closely related and complimentary activity to their commitment to regional regulatory harmonization.*

- *They have a strong commitment to farmer training programs across AMS, and they would like to explore how they collaborate with AADCP II, ASEC, and AMS to facilitate GAP training for the MRA that emerges. Such training could include integrated pest management, MRLs, responsible crop protection stewardship.*
- *Farmer training programs are implemented by CropLife country offices (e.g. CropLife Cambodia, CropLife Thailand, etc.), with coordination and funding support from CropLife Asia regional office.*
- *Each CropLife country office has a different model for how they deliver support, and the support they deliver, based on the needs and existing capacity of each country. They recognize the diversity of capacity across AMS, and customize their efforts accordingly.*
- *CropLife facilitates resources from CropLife global and/or members, but also recognize there is a need to harness resources from across the entire value chain to proliferate GAP at the farm level.*

Australia Food & Grocery Council: A food and grocery industry association advocating for competitive trade policy, sustainable food production practices, and healthy nutritious foods for consumers in Australia. Implementing a Food Safety Auditing Project that aims to reduce the overall cost burden of food safety auditing on the food value chain while enhancing food safety outcomes. On November 7, The Fintrac team spoke with Dr. Geoffrey Annison, Director of Health Nutrition and Scientific Affairs of the AFGC:

- *The AFGC is already engaged in policy discussions with the APEC Forum on Food Safety Cooperation Forum (APEC-FSCF). The focus is on regulatory and process harmonization for cross-border trade of food – particularly processed food, but also primary produce. The forum has developed to include more private sector representatives, who are now an integral part of the activities. The forum also includes a strong capacity building component – running workshops and seminars for officials around the region.*
- *The AFGC would be particularly interested to engage in the ASEAN Agri-food MRA as follows:*
 - *The AFGC would support any regional group to reduce cross border technical barriers to trade.*
 - *Deeply interested in the ‘principles’ developed for mutual recognition – they have good experience in designing these types of mechanisms domestically and across borders.*
 - *The AFGC would also be happy to provide practical commercial comment on the standards themselves if there are opportunities.*

Australia Food & Beverage Importers Association: A national industry organization representing 62 private sector Australian importers of food & beverages, especially in relation to biosecurity, quarantine and food standards issues. The Food and Beverage Importers Association has two key aims. First, to assist members directly: by providing them with all relevant information about the regulations applying to food and beverage imports. Second, to influence the development of standards and regulatory controls so that their impact is the minimum necessary to achieve good public policy objectives. On November 8, the Fintrac team spoke with Neil Brand, president of the FBIA, and the following was concluded:

- *Members are importing from ASEAN – mainly from Indonesia, Thailand, Philippines, and Vietnam. Including shrimp and shellfish from Thailand and Vietnam, and fruits and vegetables from the Philippines and Thailand.*
- *Most food imports to Australia are prepared, or processed, as importing fresh products is extremely difficult given the onerous sanitary and phytosanitary requirements in Australia for ecological (not economic) reasons. The Australian government is very risk averse, so standards and regulations are very high, and imports of fresh meat products are considered a non-starter. Importing fruits, vegetables, and fish is possible, but the barriers to entry are high.*
- *It is likely that the FBIA is a more appropriate partner for the Prepared Foodstuff Working Group rather than the MRA for GAP, GAqP, GAHP given its focus on fresh foods.*

ASEAN Food & Beverage Alliance: A group of national associations across AMS involved in the manufacture, distribution and sale of food and beverage products. The AFBA is a non-profit body representing the food industry across AMS, and is based in Singapore. On October 31, the Fintrac team spoke with a key AFBA member at the AMS level, the Secretariat of the Indonesian Food and Beverage Association (IFBA) Bobby Kusomo, and he was generally supportive of the initiative to develop a regional MRA for agri-food standards. He indicated their willingness to reach out to their membership across Indonesia.

- *If engagement with the AFBA at the regional level proves elusive, then engagement with members at the AMS level, such as the IFBA in Indonesia, may be more feasible particularly given that their membership is engaged in sourcing and cross-border trade of several agri-food products.*

8. Recommendations for Regional Mutual Recognition Mechanism

8.1 Initial Recommendations for Possible Models for Mutual Recognition

The Fintrac team initially presented five mutual recognition models in the first draft report for consideration and discussion among AMS representatives during Consultative Workshop #1:

- *Model 1: Multilateral Arrangement for the Recognition of Equivalence of Agri-Food Standards*
- *Model 2: Multilateral Arrangement for the Mutual Recognition of Agri-food CABs*
- *Model 3: Multilateral Arrangement for the Mutual Recognition of Agri-food Standards and CABs*
- *Model 4: Plurilateral Arrangement for the Recognition of Agri-food Standards and CABs*
- *Model 5: Industry-driven Standards Harmonization*

The details of each model introduced here were intentionally high level. This enabled the consultant team to receive feedback, preferences, and concerns from AMS stakeholders through the regional consultation process.

Each of the five initial models outlined below provide a summary of key characteristics, an overview of international precedent, key advantages and disadvantages, and an assessment against a list of key criteria. For each of these key criteria, the pros and cons are discussed, and a numerical score ranging from 1 to 4 (with 4 being the most positive) was assigned. Numeric scores are determined qualitatively based on the successes and failures identified through desk research, and the anticipated risks and returns relative to the alternate models presented. The assignment of these scores are not scientifically based, and are only used as an initial indicator to distil model options based on perceived priorities of AMS and ASEC.

Below is a summary of the criteria against which we assess each option:

Criteria	Question Answered
Governance Risks	What are the key governance risks in setting up and operating this mechanism?
Institutional Arrangements	What institutions and institutional support are required by the mechanism?
Compatibility with existing ASEAN and AMS institutions	How does the mechanism fit into existing ASEAN, and AMS institutions, and certification schemes whether public or private sector? Is the mechanism suitable for all 3 sub-sectors?
Capacity Requirements	Does the mechanism rely on particular capacities existing inside regional, national, sub-national markets?
Trade Enhancement Effects	What does the literature say about the trade effects of this type of mechanism? What are mechanism design points to bear in mind?
Implementation in other jurisdictions	What can we learn about the effect of this type of mechanism from the implementation experience of other jurisdictions?
Implementation Costs	What are the general implementation costs, and how do these apply to the diversity of AMS? Does the mechanism envisage additional institutions?
Implementation Risks	What are the key perceived risks in setting up this mechanism?
Farm-level Impacts	What impact will the mechanism have at the farm-level, and is it accessible?
Inclusiveness	Will the mechanism be accessible and attainable for small growers and all AMS?

Model I: Multilateral Arrangement for the Recognition of Equivalence of Agri-Food Standards (the Standards First Approach)

Summary

The Standards First Approach is a model proposed to address the recognition of existing national standards, without explicitly addressing the recognition of conformity assessment bodies. This model would establish the basis by which AMS national standards are determined to meet the same regulatory objectives of the ASEAN Agricultural Best Practices (GAP, GAHP, GAqP) and/or a mutually agreed international standard (TBD). In essence, this would encourage the benchmarking of existing standards against the ASEAN Standards and/or a recognized international standard. Benchmarking would be conducted through a standardized equivalence assessment (TBD), encompassing at minimum a comprehensive document review, and a peer review led by subject matter experts, thereby advancing an acceptable level of protection between trade partners.

International Precedent

- *Multiple examples of recognition of different standards through equivalence assessment, however, they usually also address conformity assessment.*
- *US-Japan MRA on Organic Agriculture is most suitable model, however: it is bilateral – not multilateral; and comparable levels of institutional capacity between US and Japan reduced need for commitments on conformity assessment procedures/bodies.*

Key Advantages

- *Will increase recognition and acceptance of ASEAN Standards.*
- *Suits the various existing AMS national standards, without need for harmonization.*
- *Encourages the protections provided by ASEAN Standards and/or other international standards.*
- *Multilateral platform allows AMS to progress at their own pace.*
- *Only modest institutional support is needed.*

Key Disadvantages

- *Exclusion of conformity assessment systems means that trading partners find it difficult to determine adherence to the standards.*
- *Conformity Assessment would ultimately need to be addressed at a later date or as part of a separate bilateral (and more inefficient) process.*

Assessment of Model I against Key Criteria

Criteria	Assessment	Rating 1 to 4
Governance Risks	Very Low risk due to requirement for implementation by Governments under existing ASEAN Framework Agreement on MRA through a multilateral sectoral MRA endorsed by AMS. Higher risks are typically associated with conformity assessment.	4
Institutional Arrangements	Only modest institutional support would be required. Consistent with the elements of the ASEAN Framework Agreement on MRAs, the ASEAN Secretariat would establish a “Joint Sectoral Committee” responsible for the functioning of the MRA, and made up of an official representative from each member state.	3
Compatibility with existing	This model would be implemented as a sectoral arrangement under the ASEAN Framework Agreement on MRAs, and would require establishment of a “Joint Sectoral Committee” (presumably administered by ASEC) responsible for the	2

Assessment of Model I against Key Criteria

Criteria	Assessment	Rating 1 to 4
ASEAN Institutions	functioning of the MRA, and made up of an official representative from each member state. However, the lack of conformity assessment regime in this model is not consistent with recommendation of the Framework Agreement.	
Compatibility with existing national-level institutions	All AMS currently have national standards schemes written. Achieving equivalence or alignment with the ASEAN Standards would not prove too difficult. However, the challenge with existing national-level institutions is related to the administration of the written standards. Certification and accreditation bodies are usually designed to assess and work with national standards only. Therefore this model may not build trust necessary to enable recognition of different national standards. Lastly, this model may necessitate requirements for legislative amendments at the AMS level.	2
Capacity Requirements	The mechanism relies primarily on national capacities to write and administer national standards schemes. The capacity requirements are therefore limited, as it does not explicitly address conformity assessment systems.	3
Trade Enhancement Effects	The literature recommends that mutual recognition models should cover both standards and conformity assessment procedures/bodies. Without conformity assessment, this model would likely have limited impact on trade.	1
Successful implementation in other jurisdictions	A multi-lateral model for standards recognition only was not found. However, the bi-lateral agreement on organic standards equivalence between US and Japan has been successful – due in part to similar institutional capacity between partners	1
Implementation Costs	Implementation costs would be modest. Costs would be borne at the national levels for conducting equivalence assessments (peer review, expert time, etc.) and at the regional level for administering the MRA through the Joint Sectoral Committee	3
Implementation Risks	Risks are relatively low, as recognition will proceed as determined by AMS Governments. There are risks that national assessment bodies – designed to assess and administer national standards – would lack capacity and experience.	2
Farm-level Impacts	Producers already have difficulties in meeting national standards. If equivalence between national and regional standards produces new requirements, this may impose unreasonable costs on farmers (soil testing, chemical handling, etc.) – which often disproportionately affect smaller producers. Alternatively, producers already meeting national standards may gain access to new regional markets, once conformity assessment regimes are also put into place.	2
Inclusiveness	This mechanism is considered relatively easily attainable for least developed AMS due to its exclusion of conformity assessment procedures. Addressing standards only is less costly, and requires less institutional upgrading than the other models presented.	2

Model 2: Multilateral Arrangement for the Mutual Recognition of Agri-food Conformity Assessment Bodies (the Accreditation Approach)

Summary

The Accreditation Approach is a model proposed to mutually recognize conformity assessment bodies only, without explicit attention paid to the upgrading or equivalence assessment of standards themselves. The Arrangement would set out procedures for assessment, designation and monitoring of CABs, with the list of recognized CABs being continually updated. CABs will be recognized based on the confirmation of their adherence to international standards (relevant ISO standards for CABs) in the fields of certification, accreditation, testing, and inspection. This model aims to facilitate trade by allowing a producer to be assessed by designated CABs according to whichever importer standards are required (either individual national standards or ASEAN standards). In this way, it is hoped that individual producers can be assessed for compliance with multiple markets – thereby opening up new export markets. Moreover, this model removes the need for importing party inspections of producer facilities in the exporting country – reducing time and cost.

International Precedent

- *Multiple bilateral examples exist, including: the Canada-Thailand Equivalence Agreement on Seafood; and the China-NZ Electrical and Electronic Equipment MRA.*
- *Multilateral examples also exist, including: the South Asian Association for Regional Cooperation (SAARC) Agreement on Multilateral Arrangement of Conformity Assessment.*
- *There are also examples at the private/industry level, that illustrate how private associations of CABs can promote the recognition of their members globally to facilitate trade, including the IAF MLA, the PAC MRA, and the APLAC MRA.*

Key Advantages

- *Expected substantive impact on trade.*
- *Several CABs of international quality already operate across AMS. Some of these are members of the IAF MLA and PAC MRA, including representatives from 6 out of 10 AMS. (unknown if they operate in the food sector)*
- *No changes to standards are required, which should result in speedy implementation.*
- *Continuing assessment of CABs has been observed to increase CAB quality and competitiveness.*

Key Disadvantages

- *No move towards cohesive standards across AMS.*
- *Would not necessarily promote ASEAN Best Practices, as national standards would predominate.*
- *Markets with the highest national standards would still present market entry challenges to the producers in markets with lower standards.*
- *Producers may still require multiple assessments according to various national standards.*
- *Stakeholder feedback indicates that several AMS would need to separate their certification authorities from their accreditation authorities, requiring legislative and regulatory changes.*
- *4 out of 10 AMS (those not represented in the IAF) may face challenges achieving international recognition of their accreditation bodies*

Assessment of Model 2 against Key Criteria:

Criteria	Assessment	Rating 1 to 4
Governance Risks	Governance risks are mixed. The model can be implemented by Governments under existing ASEAN Framework Agreement on MRA through a multilateral sectoral MRA endorsed by AMS. However, designation of CABs needs strong transparency protocols. Likewise, activity of CABs (in particular their approach to corrupt practices) needs auditing and assessment on a continuous basis.	2
Institutional Arrangements	Two primary institutional arrangements necessary under this model: 1) the ASEAN Secretariat would need to establish a “Joint Sectoral Committee” responsible for the functioning of the MRA, and made up of an official representative from each member state; and 2) Designating bodies in each member state would be responsible for identifying and monitoring the CABs listed in the MRA.	2
Compatibility with existing ASEAN Institutions	Can be implemented as a sectoral arrangement under the ASEAN Framework Agreement on MRA. The ASEAN Secretariat would play an important role in facilitating the establishment and operation of the Joint Sectoral Committee.	4
Compatibility with existing national-level institutions	Several more developed AMS currently have CABs listed in internationally recognized accreditation associations; however, other AMS would require substantial upgrading of CABs capacity to meet international standards, and their national standards administration systems would require adjustment to promote the independence of certification and accreditation functions. There may also be legislative changes required to allow for recognition of foreign CABs.	2
Capacity Requirements	CABs including certification, accreditation, and inspection bodies would need to meet relevant ISO standards. As above, not all AMS would have CABs operating within their territory to achieve this and other standards.	2
Trade Enhancement Effects	The literature widely points to the importance of recognition of CABs in promoting and facilitating trade. We have found that since the China-NZ EEE MRA in 2009, which employs this model, NZ’s exports of mechanical and electrical machinery and equipment have grown from 2010-2014 by 55% while total exports (to the world) of the same products have declined by 7%.	4
Successful implementation in other jurisdictions	The China-NZ EEE MRA; the SAARC MRA on Conformity Assessment; Canada-Thailand Equivalence Agreement on Seafood; IAF MLA; PAC MRA; APLAC MRA	4
Implementation Costs	Costs of upgrading at the national level are expected to be moderate. Costs would be expected at the regional level for negotiation and administration of the MRA (including the Joint Sectoral Committee), which must have a budget for continued monitoring and assessment of CABs. Public and/or private institutions who have not yet met ISO Standard 17021 will bore increased costs for upgrading to meet and become certified.	2
Implementation Risks	Increased influence in the hands of CABs means that more developed AMS with more sophisticated or more numerous CABs will be advantaged.	2
Farm-level Impacts	Growers/producers are likely to be faced with meeting several different importer standards. Conversely, a single CAB may offer a producer assessment (and certification) for multiple country standards in a single assessment. Moreover, exporting producer inspections by an importer’s officials will be increasingly unnecessary – this is particularly important in the broiler sector.	3
Inclusiveness	All countries would be expected to upgrade their conformity assessment procedures, or at the least support the upgrading of existing conformity assessment bodies to meet international standards. The model may favor markets in which more sophisticated CABs operate.	2

Model 3: Multilateral Arrangement for the Mutual Recognition of Agri-food Standards and CABs (the Complete Approach)

Summary

The Complete Approach is essentially the integration of Model 1 and Model 2 into a single model. In other words, Model 3 encompasses the benchmarking of existing national standards against the ASEAN Standards or an approved international standard via comprehensive equivalence assessments, and the mutual designation and recognition of conformity assessment bodies (CABs) meeting international standards such as ISO 17021.

International Precedent

- *The majority of models examined address both CABs and Standards.*
- *The major difference is that existing ASEAN Sectoral MRAs employ a model of standards harmonization (rather than equivalence) with the recognition of listed CABs.*

Key Advantages

- *Is more likely to have a substantive impact on trade, due to increased market access and regulatory certainty.*
- *May reduce farm-level cost of certification and assessment for farmers as CABs get more competitive.*
- *Will increase recognition and acceptance of ASEAN Standards, without requirement for harmonization.*
- *High level of consistency with ASEAN Framework Agreement on MRAs, and only modest additional institutional support required.*

Key Disadvantages

- *The model has two distinct work streams, which must be progressed at a roughly simultaneous pace – which could be costly for AMS, and challenging to administer regionally.*
- *Less-developed AMS may find short-term difficulties in simultaneously upgrading/benchmarking national standards and fostering the development of CABs and other conformity assessment infrastructure, such as laboratories.*
- *Further developed AMS may find earlier gains with this approach due to existing levels of infrastructure, and standards administration systems.*
- *Producers – in particular smaller producers in less-developed AMS – may find upgrading to ASEAN Agricultural Best Practices a difficult cost and compliance burden.*
- *Model may promote intraregional trade, but without global recognition of the ASEAN Standards, extra-regional trade may remain constrained.*
- *To expand extra-regional trade, equivalence or harmonization with approved international standards (ISO, Codex, GLOBALG.A.P., etc.) would be necessary.*

Assessment of Model 3 against Key Criteria:

Criteria	Assessment	Rating 1 to 4
Governance Risks	The model can be implemented under the existing ASEAN Framework Agreement on MRA through a multilateral sectoral MRA endorsed by AMS. Similar to Model 2, designation of CABs needs strong transparency protocols. Likewise, activity of CABs (in particular their approach to corrupt practices) needs auditing and assessment on a continuous basis.	2
Institutional Arrangements	Institutional arrangements are expected to require commitments from all AMS. 1) the ASEAN Secretariat would need to establish a “Joint Sectoral Committee” responsible for the functioning of the MRA, and made up of an official representative from each member state; 2) Designating bodies in each member state would be responsible for identifying and monitoring the CABs listed in the MRA., 3) technical committees made up of subject matter experts could be tasked with facilitating equivalence assessments.	3
Compatibility with existing ASEAN Institutions	Consistent with existing ASEAN guidelines on Standards and Conformance, and could be established under the umbrella of the ASEAN Framework agreement on MRA. Additionally, the ASEAN Secretariat would play an important role in facilitating the establishment and operation of the Joint Sectoral Committee	4
Compatibility with existing national-level institutions	The utilization of equivalence assessments, rather than standards harmonization, allows AMS to maintain existing national standards systems, albeit with potential amendments if gaps are identified. AMS with a better developed market for CABs will likely be advantaged. There may also be legislative changes required to allow for recognition of foreign CABs.	2
Capacity Requirements	CABs in less developed AMS would require upgrading to meet international standards. National standards administration systems would require revision to ensure the independence of accreditation and certification bodies.	3
Trade Enhancement Effects	This model is consistent with the literature which widely supports the importance of MRAs to cover both standards and conformity assessment bodies. As such, positive trade impact would be expected.	4
Successful implementation in other jurisdictions	GlobalG.A.P. has shown that standards benchmarking through peer reviewed equivalence assessments is a feasible method for ensuring quality and consistency. The Trans-Tasman MRA is an example of equivalence assessment of standards, albeit with the freer flow of goods stemming from a high level of confidence in national quality infrastructure.	3
Implementation Costs	Implementation costs are expected to be higher than Model 1 or Model 2 given the comprehensiveness of this solution. AMS may consider the need for additional resources being made available for less-developed AMS.	2
Implementation Risks	Additional reliance on CABs will tend to favor markets with a better-developed CAB market. As the model assumes a simultaneous negotiation and development of two work streams (standards and conformity assessment), there is a risk that they do not develop at the same pace, creating delays and uncertainty.	2
Farm-level Impacts	Any necessary revisions to existing national standards systems to align with ASEAN Standards will result in a change in compliance requirements for growers, necessitating additional farm-level training. Conversely, producers may benefit from an environment of increased competitiveness (and lower cost) of CAB assessments for multiple markets.	3
Inclusiveness	AMS with weaker existing standards, and limited conformity assessment capacity may experience difficulty aligning their standards and/or listing approved/recognized CABs.	2

Model 4: Plurilateral Arrangement for the Recognition of Agri-food Standards and CABs (the Plurilateral Approach)

Summary

An alternative structure for consideration, is an umbrella sectoral arrangement which provides a framework for the promotion and facilitation of bilateral mutual recognition of standards and CABs. Simply put, this option is identical to Model 3, but it is implemented on several bilateral bases between willing and able trade partners, rather than on a multilateral basis. Practically, it advances the recognition of existing standards through benchmarking against the ASEAN Standards; and it advances the recognition of conformity assessment systems through the listing of internationally accredited CABs.

International Precedent

There are several successful bi-lateral mutual recognition arrangements examined, including:

- *US-Japan MRA for Organic Agriculture*
- *China-NZ MRA for Electronics and Electrical Equipment*
- *Canada-Thailand Equivalence Agreement on Seafood*

The primary differences with these existing international models are as follows:

- *International precedent reflects single bilateral arrangements, whereas the plurilateral approach provides scope for several bilateral arrangements to exist under an umbrella agreement.*
- *Existing arrangements address differences in standards by requiring adherence to importer standards, while Model 4 employs an equivalence approach to standards.*

Key Advantages

- *AMS with similar infrastructure and capacity can enter into bilateral arrangements immediately.*
- *AMS may prioritize bilateral arrangements with key trading partners.*
- *Implementing a bilateral arrangement at the national level is faced with less quality risks.*
- *A regional Joint Sectoral Committee could play an important role in promoting and/or facilitating new bilateral arrangements that may not have materialized without this additional encouragement, technical, and administrative support.*

Key Disadvantages

- *May exclude less developed countries in the near to mid-term who require upgrading to meet international standards.*
- *Implementing potentially several bilateral arrangements at the national level is faced with higher risks, particularly where administrative capacity is strained.*
- *Overseeing several bilateral arrangements at the regional level, some of which may have varied elements, may carry additional administrative burdens for a regional Joint Sectoral Committee.*
- *Essentially, this additional level of arrangement is unnecessary. AMS interested in engaging in bilateral mutual recognition with regional trade partners may already do so, with sufficient guidance from existing ASEAN standards and conformance guidance documentation.*

Assessment of Model 4 against Key Criteria:

Criteria	Assessment	Rating 1 to 4
Governance Risks	Regional facilitation and oversight of several separate bilateral mutual recognition arrangements may be administratively burdensome, adding risks to the ability to implement the arrangement effectively. Additionally, at the national level, administering potentially several different bilateral arrangements can be burdensome to overstretched bureaucracies, a threat to effective implementation. Lastly, differing bilateral recognition of CABs may heighten risks of CAB fraud and related governance issues.	1
Institutional Arrangements	An ASEAN Joint Sectoral Committee would be needed to play a key role in implementing the model, including the promotion and facilitation of bilateral arrangements between AMS. National level bodies would be expected to oversee the implementation of the arrangement with the bilateral trade partners.	2
Compatibility with existing ASEAN Institutions	The ASEAN Framework Agreement on MRA encourages multilateralism for sectoral MRAs, rather than bilateralism. Nonetheless, a template arrangement for the bi-lateral recognition of fisheries related CABs was developed by relevant ASEAN technical working group.	2
Compatibility with existing national-level institutions	According to stakeholder surveys, many AMS would be capable of undertaking these arrangements. However, administering several bilateral arrangements places potentially more significant strain on bureaucratic institutions than would one all-encompassing multilateral sectoral arrangement.	2
Capacity Requirements	1) Standards upgrading in some cases to align with ASEAN Standards, 2) CAB upgrading to meet relevant ISO standards, 3) national administration capacity to implement multiple bi-lateral MRAs	2
Trade Enhancement Effects	The trade enhancement effects are expected to parallel the effects seen in existing bilateral arrangements. The patchy impact on trade will reflect the patchwork of bilateral arrangements which are put into effect. The regional oversight may add a degree of bureaucracy that is not normally present in bilateral arrangements, but promotional efforts at the regional level may also benefit the establishment of new bilateral arrangements that otherwise would not have been established.	2
Successful implementation in other jurisdictions	In terms of bilateralism, the literature suggests positive trade effects in the China-NZ bi-lateral arrangement for electronics, as well as the Canada-Thailand bilateral arrangement for fisheries.	3
Implementation Costs	Administering several bilateral agreements is expected to be more costly at the national level than administering one multilateral mechanism.	2
Implementation Risks	Monitoring a bilateral arrangement with one trade partner is generally easier and carries less risk than monitoring several trade partners' conformance simultaneously. But monitoring multiple bilateral arrangements potentially adds implementation risks where administrative capacity is strained	2
Farm-level Impacts	No discernible difference compared to Models 1-3; however, as with all models, substantial farm level training is needed to expand uptake.	2
Inclusiveness	Bilateral arrangements are by nature less inclusive than multilateral arrangements. Less-developed AMS are likely to be disadvantaged in the near-medium term.	1

Model 5: Industry-driven Standards Harmonization (the Commercial Approach)

Summary

Models 1 – 4 reflect ‘supply driven’ models – to increase supply of producers complying with certain standards. Model 5 is an alternative approach to mutual recognition of the ASEAN Standards, with a primary focus on stimulating ‘demand’ for ASEAN standards through engagement of the private sector. Given its ‘demand-driven’ features, it may offer attractive features to increase the uptake and acceptance of ASEAN Standards, and expand intra/extra-regional food trade. This model offers consideration to providing a greater role for the private sector in fostering the growth and acceptance of ASEAN Standards. Recognizing that GlobalG.A.P. is itself a wholly private initiative, and that most food trade is between private parties, this model would promote and facilitate a leading role for the food industry in funding and driving the adoption of ASEAN GAP.

Practically, this would involve a series of government-sponsored initiatives to bring representatives together from the food retail sector, CABs, food safety experts (for example from the ASEAN Food Safety Network), and producer representatives (e.g. sectoral industry associations). Under this model, ASEAN would promote the leadership of ASEAN Standards, and its uptake across the private sector by:

- *Promoting industry acceptance of ASEAN Standards as an appropriate minimum standard.*
- *Supporting AMS to harmonize national standards with ASEAN Standards.*
- *Developing and promoting an ASEANG.A.P. mark.*
- *Establishing a mechanism for designation of accreditation bodies or recognition of CABs.*

International Precedent

- *GlobalG.A.P. presents a practical, successful example of how an association of retailers can coalesce to accept an agreed upon standard and conformity assessment procedures. GlobalG.A.P. is considered the gold standard of private voluntary standards for food safety because it has the explicit buy-in and commitment from private industry, which creates incentives for producers to become certified and access previously unattainable markets.*

Key Advantages

- *Increase in recognition and acceptance of ASEAN GAP, on a demand driven basis.*
- *Private sector-led demand increases the likelihood of uptake by producers if they have the knowledge, resources, and technical skills to become certified.*
- *Private sector funding for administration and development.*
- *Collaborative governance from both private sector and public sector experts.*

Key Disadvantages

- *Existing national standards systems are not designed to promote leadership of private sector.*
- *It is currently unknown if a critical mass of industry players would buy-in to the model.*
- *Private industry will expect existing standards to be strengthened in-line with commercial standards, increasing the certification challenges for farmers (particularly small farmers).*

Assessment of Model 5 against Key Criteria:

Criteria	Assessment	Rating 1 to 4
Governance Risks	Collaborative governance between the private and public sectors reduces governance risk at the regional and national levels for public sector agencies. However, potential for fraud may heighten governance risks.	2
Institutional Arrangements	Similar to GlobalG.A.P., there should be a Board of Directors governing the arrangement, made up of elected producer and retailer representatives, with the added participation by designated AMS representatives. The Board will oversee the implementation of the arrangement, and will be supported by sub-sectoral technical committees, and national technical working groups. Additionally, an arrangement akin to GlobalG.A.P.'s Integrity Surveillance Committee could ensure integrity issues, and monitor conformance.	4
Compatibility with existing ASEAN Institutions	ASEAN Technical Working Groups on GAP, GAHP, and GAqP could play a leading role on sub-sectoral technical committees. However, this arrangement diverges from the framework provided under the ASEAN Framework Agreement on MRA.	2
Compatibility with existing national-level institutions	Existing national level technical working groups could play a leading role in the governance of the arrangement at the AMS level. However, existing national standards systems across AMS currently rely on public sector administration of standards systems rather than industry leadership.	2
Capacity Requirements	As private industry will lead the governance and implementation of the arrangement, the institutional capacity requirements at the regional and national levels are considered low.	3
Trade Enhancement Effects	GlobalG.A.P. success indicates the promise of a private sector led approach to expand trade in target agri-food sub-sectors. Private industry buy-in is considered a key to agri-food market access. With mutual recognition at ports of trade, the enabling environment is more conducive for expanded trade.	4
Successful implementation in other jurisdictions	GlobalG.A.P. was initiated on a regional level (EurepGAP) in 1997, and has since expanded to be a global leader as an independent certification system designed around the harmonization of standards adopted by private industry. Nonetheless, GlobalG.A.P. was not designed to accommodate regional and national public sector bureaucracies.	2
Implementation Costs	Initial costs of generating buy-in from the private sector are expected, after which, many costs can be transferred to a private sector association of regional commercial agri-food actors.	3
Implementation Risks	Successful implementation requires buy-in from and cooperation among private sector competitors (in particular, retailers). Without private sector buy-in and cooperation, the model will not be feasible. Currently unable to assess whether commercial actors would buy-in to the proposed model.	2
Farm-level Impacts	Private commercial standards (such as GlobalG.A.P.) are expected to be more onerous for growers, particularly the smallest growers, to become certified. Significant investments in farm-level training at the national levels will be necessary to raise awareness and build grower capacity. Nonetheless, achieving conformance with private commercially recognized standards will result in a significant positive impact on regional market access for growers.	3
Inclusiveness	Given private sector leadership, all AMS are capable of participating. However, the higher standards imposed by private industry may exclude the smallest growers unless there is a significant farm-level extension effort funded and implemented by AMS (which requires deployment of scarce resources which the least developed AMS may not have).	2

8.2 First Revision of Recommended MRA Model Based on AMS Feedback

During Workshop #1, AMS representatives expressed the clearest support for Model 3 (Standards + CABs), with a request for the consultant team to further evaluate options for integrating aspects of Model 5 (private sector engagement) and Model 4 (AMS readiness). Based on this feedback, the Fintrac team narrowed the analysis to include two possible models for AMS consideration: Model 3 alone, and Model 3 as the foundation plus options for phasing of AMS commitments and industry engagement, as summarized here:

1. **Model 3: Multilateral Arrangement for the Mutual Recognition of Agri-food Standards and CABs**
2. **Model 3 + Additional Optional Elements (One or Both)**
 - *Option 3A: Phased plurilateral approach to implementation based on AMS readiness*
 - *Option 3B: Involvement of the private sector in the institutional arrangements for MRA implementation*

The analysis of Model 3 was presented in the previous section. Model 3 + Additional Optional Elements are presented below, wherein Model 3 is the foundation upon which one or both of the optional elements may be added or omitted. The analysis below summarizes these optional elements, outlines the key anticipated advantages and disadvantages of each, and provides a qualitative assessment against the aforementioned selection criteria.

Option 3A: Phased Plurilateral Approach

Under a traditional multilateral arrangement all AMS are signatories to the arrangement, which is fully operative only once all member states have signed and ratified the Agreement. With a phased plurilateral approach, AMS opt-in to the arrangement by signing and ratifying the agreement, and they are expected to meet technical milestones so they may fully participate in the arrangement.

Such a phased plurilateral approach allows the MRA to become operational once a certain minimum number of AMS have signed and achieved the requisite milestones. AMS must determine whether acceding to agreements requires pre-conditions, or whether accession begins the process of complying with conditions. The technical mechanism for opting in is straightforward, and reflects practice in the WTO.⁷⁵ Any AMS may accede to the agreements by depositing an instrument of accession with the ASEAN Secretariat, and the agreements will enter into force for that AMS 30 days after depositing of the instrument.

Based upon the foundation of Model 3, there are two relevant technical milestones that AMS shall pursue following MRA accession to ensure full participation:

- **Milestone 1:** *National Standards are determined to be aligned with ASEAN Standards.*
- **Milestone 2:** *At least one national CAB meets relevant international standards, and is approved for listing on the MRA.*

Under the phased plurilateral option, there are three potential ways in which AMS may accede to the MRA as summarized here:

1. **The Default Multilateral Option** - All AMS must first meet Milestone 1 and Milestone 2 then all AMS may sign the MRA.

⁷⁵ WTO “Revised Agreement on Government Procurement”, 2014 https://www.wto.org/english/docs_e/legal_e/rev-gpr-94_01_e.htm

2. **The Unconditional Plurilateral (UP) Option:** All AMS may first sign the MRA without the requirement to meet any Milestones, and all signatories are provided representation on the Joint Sectoral Committee and Technical Committees starting on Day 1; then each AMS pursues Milestone 1 and Milestone 2 at their own pace.
3. **The Conditional Plurilateral (CP) Option:** Some AMS may sign the MRA as they meet Milestone 1 and Milestone 2. AMS representation on the Joint Sectoral Committee and Technical Committees is conditional upon meeting Milestone 1 and Milestone 2.

Key Advantages

- *The Arrangement will begin to operate even though not all AMS may be able to supply a qualified CAB and/or have National Standards in place that are aligned with the ASEAN Standards.*

Key Disadvantages

- *May exclude less developed AMS in the near to mid-term who require upgrading of standards administration and conformity assessment systems to meet international standards.*

Option 3B. Private Sector Participation

Following the consultant team's survey of private sector market actors, we have a clearer understanding of private sector appetite and interest in involvement in a mutual recognition mechanism. Private sector appetite and interest is best characterized as moderately strong, in particular by member-based organizations representing the interests of commercial agribusinesses (buy-side and supply side).

Based on this feedback, the most achievable model for engagement of the private sector would involve a select group of strategic private sector partners (in particular, member-based organizations) being invited to participate as members or observers in the Joint Sectoral Committee and/or Technical Committees to promote industry acceptance of the ASEAN Standards as an appropriate minimum standard. Consideration will be given to inclusion of an ASEAN GAP mark for brand awareness.

Key Advantages

- *AMS will garner buy-in from market actors who will be involved in adopting the standards.*
- *AMS will receive feedback and integrate concerns from supply-side and demand-side actors, potentially leading to higher demand for the standards and greater incentives for producer uptake.*

Key Disadvantages

- *Private sector actors may expect existing standards to be strengthened in-line with global and private commercial standards, creating challenges for less-developed AMS who wish to prioritize the ASEAN Standards as a minimum requirement.*

Assessment of Option 3A and 3B against Key Criteria:

Criteria	Assessment
Governance Risks	<p>3A: A plurilateral arrangement which does not include certain AMS (in particular, less developed AMS) risks excluding issues of interest to those AMS. As such, all AMS should be engaged in the MRA implementation mechanisms regardless of readiness status.</p> <p>3B: Inviting the views of the private sector to the Joint Sectoral Committee is an opportunity for diversity and public/private partnership; however, there are likely to be differing views and interests which will require tactful facilitation to maintain commitments and engagement from all parties.</p>
Compatibility with existing ASEAN Institutions	<p>3A: The ASEAN Framework Agreement on MRA encourages multilateralism for sectoral MRAs. Any phased approach should continue to engage all member states in MRA implementation mechanisms while they are working towards readiness.</p> <p>3B: In practice, we would envisage existing working groups being 'reconstituted' (or 'sitting in session') as the Joint Sectoral Committee and Technical Committees; however, option 3B would invite private sector actors to engage in these committees as members/observers.</p>
Compatibility with existing national-level institutions	<p>3A: Unconditional plurilateral option is most compatible with all 10 AMS institutional capacity.</p> <p>3B: According to stakeholder surveys, many AMS would be capable of immediately meeting international guidelines for standards and conformity assessment. The phased approach is therefore compatible with those who are 'ready' as well as those AMS that first require institutional upgrading.</p>
Capacity Requirements	<p>3A: Two Milestones: 1) Standards upgrading to align with ASEAN Standards, 2) CAB upgrading to meet relevant CAC and/or ISO standards.</p> <p>3B: No specific institutional capacity requirements needed to integrate industry involvement</p>
Trade Enhancement Effects	<p>3A: Aggregate trade enhancement impacts would be expected to grow as the full engagement of all member states in the arrangement increases.</p> <p>3B: The involvement of the private sector is expected to have a more significant positive impact on trade than an arrangement that does not involve the private sector.</p>
Successful implementation in other jurisdictions	<p>3A: Plurilateral agreements are successfully operating among subsets of WTO Members, such as WTO "Revised Agreement on Government Procurement".</p> <p>3B: Other existing ASEAN Sectoral MRAs provide a useful precedent for engaging the private sector. Both the MRA on Electrical and Electronic Equipment, the MRA on Cosmetics, and the MRA on Tourism Professionals engage key industry association representation in the Joint Sectoral Committee for MRA implementation.</p>
Implementation Costs	<p>3A: No discernable difference from Model 3.</p> <p>3B: It is possible, although not certain, that private sector representatives may be able to mobilize resources for training farmers and national standards administration officials.</p>
Implementation Risks	<p>3A: The phased approach reduces risks of implementation delays, and enables 'ready' AMS to engage immediately.</p> <p>3B: Private sector participants may bring diverse views to the implementation mechanism, which will need to be taken into consideration. A strong facilitator is needed to ensure that divergent views do not slow the implementation decision making.</p>
Farm-level Impacts	<p>3A: No farm level impacts are anticipated until national standards administration and conformity assessment systems are upgraded and AMS accede to the arrangement, at which point, greater market access (as well as competition) may be expected.</p> <p>3B: If buy-side actors are engaged in the implementation of the model, they are expected to promote the ASEAN Standards to their suppliers, creating a market-based incentive for farm-level uptake.</p>
Inclusiveness	<p>3A: Further-developed AMS are likely to be more active in the early stages of this model, as less-developed AMS upgrade their standards and conformity assessment systems. Steps will need to be taken, namely resource distribution and capacity building, to ensure that less-developed AMS are not neglected and left behind.</p> <p>3B: Engaging private sector agribusinesses, and integration of their views may be expected to benefit less-developed countries that desire expanded foreign direct investment.</p>

8.3 Final Revision of Recommended MRA Model Based on AMS Feedback

During Workshop #2 and Workshop #3, AMS representatives expressed the clearest support for the Unconditional Plurilateral (UP) option to implement a phased approach to accession, and also expressed unambiguous support for engaging the private sector in a substantive way in the implementation of an agri-food MRA. The feedback from Workshop #2 and Workshop #3 has enabled the Fintrac team to identify a single model for MRA implementation, around which a consensus is emerging and is considered the most likely to generate consensus among the 10 AMS. The following section provides an overview of the key characteristics, anticipated benefits, and an assessment against key selection criteria.

The Multilateral Arrangement for the Mutual Recognition of Agri-food Standards and Conformity Assessment (MAMRASCA) – an Unconditional Plurilateral Model with Private Sector Engagement

The proposed MAMRASCA is a single mutual recognition arrangement covering recognition of CABs and standards alignment across all three existing ASEAN agri-food standards, with flexibility for adoption of further agri-food standards as they are developed. All AMS sign the arrangement once agreed, and participate in its institutional arrangements from the outset. AMS may increase participation in the arrangement on a phased basis, according to readiness. The private sector is engaged in the arrangement through involvement as advisors on the technical committees.

Procedures for Standards Alignment and CABs Recognition

- *Standards Alignment Matrix + Peer Review process (see Critical Elements section).*
- *CABs are listed once they meet relevant international standards (see Critical Elements section).*

Institutional Arrangements

- *Joint Sectoral Committee: responsible for overall implementation of the MRA, including approval of CAB listing, and Standards Alignment Assessments.*
- *Three Technical Committees: review CABs and Standards Alignment Assessments, and provide sector specific recommendations.*
- *Designating Bodies: national body for nominating national CABs (CBs, ABs, etc.) for listing on the MRA.*

Phased Approach to Readiness

- *Unconditional Plurilateral (UP) Option: All AMS may first sign the MRA, and all signatories are provided representation on the Joint Sectoral Committee and Technical Committees starting on Day 1; then each AMS pursues Milestone 1 and Milestone 2 at their own pace.*

Technical milestones AMS shall pursue (after MRA accession)⁷⁶

- *Milestone 1: At least one National Standard is determined to be aligned with ASEAN Standards.*
- *Milestone 2: National CABs (CB, AB, laboratory, etc.) comply with relevant international standards.*

Private Sector Engagement

- *A select group of regional buy-side and supply-side companies, and member-based organizations representing agribusiness interests across AMS will be invited to participate in an advisory role on the sector specific Technical Committees.*
- *Transparent selection procedures will be agreed to avoid the perception of favoritism/bias.*

⁷⁶ There is no pre-requisite that AMS must have technical milestones in place before entering into the MRA.

Key Advantages

- The MRA will begin to operate although all AMS may not be able to meet Milestones 1 and 2 on Day 1; and all AMS will have a voting role on the JSC and TCs from Day 1 regardless of capacity.
- MRA encourages buy-in from market actors involved in adopting the standards. Integrating their feedback/concerns may lead to higher demand for the standards and increased regional trade.
- The MRA will remain under the voting control of AMS government appointed representatives, consistent with the ASEAN Framework Agreement on MRAs.
- Recognition of CABs will be conducted according to the ASEAN Guidelines for Accreditation and Conformity Assessment.
- Recognition of Standards will be conducted according to a comprehensive process entailing self-assessment followed by an expert peer review; utilizing an assessment instrument proven by ASOA.

Assessment of MAMRASCA (the final revised model) against Key Criteria:

Criteria	Assessment
Governance Risks	Few governance risks foreseen relative to other available models, as all AMS shall be engaged in the MRA implementation mechanisms regardless of readiness status. AMS representatives shall control voting rights on the JSC. A procedure for selecting private sector representatives will have to be agreed and maintained to avoid perceived favoritism/bias.
Compatibility with existing ASEAN Institutions	All 10 AMS will be invited and encouraged to sign and participate in the implementation mechanisms, consistent with the ASEAN Framework Agreement on MRAs. Additionally, recognition of CABs will be conducted in a manner consistent with the ASEAN Guidelines for Accreditation and Conformity Assessment
Compatibility with existing AMS institutions	The Unconditional Plurilateral option is compatible with all 10 AMS institutional capacity, as they may participate on, and help shape the MRA from day 1 regardless of capacity.
Capacity Requirements	Two Milestones must be met by AMS for full participation (e.g. import and export benefits): 1) At least one National Standard is upgraded to align with ASEAN Standards, 2) CAB upgrading to meet relevant international standards.
Trade Enhancement Effects	Aggregate trade enhancement impacts are expected to grow as the full engagement of all member states in the arrangement increases. Integrating views and concerns of the private sector may bolster the positive impact on trade.
Successful implementation in other jurisdictions	Plurilateral agreements are successfully operating among subsets of WTO Members, such as WTO "Revised Agreement on Government Procurement." Other existing ASEAN Sectoral MRAs have successfully engaged the private sector, including the MRA on Electrical and Electronic Equipment, the MRA on Cosmetics, and the MRA on Tourism Professionals.
Implementation Costs	There should be little supra-national implementation costs at the operational level. The most significant implementation costs will include capacity building in less-developed AMS to support their efforts to meet Milestone 1 and 2. Additional implementation costs should be assumed for outreach/awareness building among producers and buyers across the 10 AMS.
Implementation Risks	The Unconditional Plurilateral approach reduces risks of implementation delays, and enables ready AMS to engage immediately.
Farm-level Impacts	Smallholder capacity building is necessary across AMS to support ASEAN Standards compliance. Engaging buy-side actors may result in their promotion of the ASEAN Standards to their suppliers, creating a market-based incentive for farm-level uptake.
Inclusiveness	The Unconditional Plurilateral option provides all AMS voting representation on the JSC and TCs from Day 1, regardless of capacity. Nonetheless, further-developed AMS are likely to be more active in the early stages of implementation while less-developed AMS seek to comply with Milestone 1 and Milestone 2. Resource distribution, national exchanges, and capacity building will be necessary to ensure less-developed AMS are not neglected and are supported to meet Milestone 1 and Milestone 2 in a timely fashion.

Critical Elements of the Final Proposed Model

The critical elements recommended for the proposed MRA model include:

1. Aligning Existing National Standards with the ASEAN Standards
2. Recognizing Conformity Assessment Bodies
3. Single Mechanism with Cross-Sectoral + Sectoral Institutional Arrangements for Implementation
4. Addressing ASEAN Ancillary Product (Marketing/Quality) Standards
5. Addressing the recognition of producers vs. recognition of products

1. Aligning Existing National Standards with the ASEAN Standards

National standards shall be considered in alignment with the ASEAN Standards (GAP, GAqP, GAHP) where a comprehensive, peer reviewed alignment assessment process has been undertaken and it has been determined that even where differences between the two standards are evident, an appropriate level of protection can be achieved.

Principles for Determining Alignment: Determining alignment requires standardized and mutually accepted procedures that follow a formal protocol (or set of guidelines) so that AMS may be confident that trade partners' national standards provide an appropriate level of protection. General principles which should be applied when carrying out a Standards Alignment Assessment include: *Consistency, Objectivity, Transparency, and Expert Consultation.*

Instrument for Determining Alignment: A standardized tool is needed to guide the assessment of national standards against the ASEAN Standards to provide consistent procedures and processes for alignment assessments. Utilizing/adapting an existing instrument will provide a proven method to carry out the assessments. Following a review of known alignment assessment models, the ASEAN EWG-GAP has recommended the adaptation and utilization of the existing Alignment Assessment Matrix and Guidelines for the Assessment of National Standards against the ASEAN Standard for Organic Agriculture (ASOA). This instrument has been easily adapted and piloted for assessing the alignment of AMS National Standards with the ASEAN Standards.

Adapting the Alignment Assessment Matrix: The existing Alignment Assessment Matrix format can be easily and relatively rapidly adjusted for use with all three ASEAN Standards (GAP, GAqP and GAHP) by performing the following steps⁷⁷ (See Annex 4 for still image guidance on matrix adaptation):

1. Remove all requirements (e.g. control points) listed in columns 1 and 2 of the matrix, which are related to ASEAN organic standards.
2. Create three separate Assessment of Alignment Matrix templates – one for each of the ASEAN Standards (GAP, GAqP, and GAHP).
3. Enter numbered requirements (control points) from each ASEAN Standard into columns 1 and 2 of the adapted matrix template, using the same format utilized in the Standard (See Annex 4). The ASEAN Standard will be known as the base standard.
4. Enter corresponding numbered requirements (e.g. control point) from the AMS National Standard into columns 3 and 4 of the adapted matrix template. The AMS National Standard being assessed will be known as the referred standard. Relevant reference/legislations/regulations of the AMS may also be cited as deemed appropriate in meeting the requirements of the ASEAN/base standard.

⁷⁷ The ASOA matrix has already been adapted for the ASEAN GAP Standard by the ASEAN EWG-GAP; however, this step has not yet been completed for ASEAN GAqP or ASEAN GAHP standards.

Disseminating a Guide for the Assessment of Standards Alignment: EWG-OA and EWG-GAP are developing a Guidance Manual for Using the Alignment Assessment Tool. This manual will be deliberated for endorsement by ASWG-Crops and further deliberation for endorsement by SOM-AMAF/AMAF as a formal ASEAN document. Technical committees will ensure dissemination of the manual to competent authorities to help ensure consistency of the assessment processes across AMS.

Implementing the Alignment Assessment: Once the alignment assessment matrix template has been adapted, AMS will undertake a three stage alignment assessment process, as presented below:

STEP 1: Assessment by AMS National Reviewers Self-Assessment: The reviewer/s should decide whether each of the standard requirements in column 4 - the national or referred standard, are equivalent, or have the same consequence/effect as the ASEAN (base) standard requirement shown in column 2. Based on assessment, the relevant box under the Equivalence Assessment column shall be marked:

- “E” – if referred standard and base standard requirements are considered equivalent
- “A” – if referred standard is considered higher than the ASEAN Standard requirement, or if there are additional requirements from the referred standard
- “N” – if the referred standard and based standard are NOT considered equivalent

STEP 2: Peer Review: Two reviewers are required to conduct the peer review. Once an AMS has carried out a self-assessment of its own national standard and compared it to the relevant ASEAN standard, two reviewers from other, designated AMS will carry out the first review of the results of the national self-assessment. The two peer reviewers are permitted to meet either physically or via electronic communication. One of the reviewers will be designated as a lead reviewer, and will be required to be from a country that has an existing standard and certification in place. It is a fundamental requirement that AMS peer reviewers do not review each other’s national standards. For example, to avoid conflicts of interest, if a peer reviewer from Country X reviews a self-assessment carried out in Country Z, then on no account must reviewers from Country Z become responsible for reviewing standard self-assessments carried out in Country X.

STEP 3: Resolution of Issues and Group Validation: If there are issues that need to be resolved, or if there are clarifications demanded by the peer reviewers, the reviewers and the reviewer in the country of the referred national standard may need to meet either physically or via electronic communication. If the issues are not resolved between the peer reviewers and the country of the referred national standard, they should be referred to the Joint Sectoral Committee. All reviewed Standards Alignment Assessments will undergo group validation. When the review of the Standards Alignment Assessment has been finalized by the peer reviewers, the results of the assessment will be discussed in plenary by the Technical Committee under the MRA (GAP, GAqP, or GAHP Technical Committee respectively). During a physical meeting, the country that conducted the self-assessment and the two reviewers will present the results of the assessment. It is expected that at this stage, with other AMS present, any unresolved issues would be settled. The results of the technical committee’s discussions will be reflected in the validation column of the matrix, and reported to the EWG, ASWG, and JSC.

2. Recognizing National Conformity Assessment Bodies

MAMRASCA shall recognize Conformity Assessment Bodies (CABs), including CBs, ABs, labs, etc. operating within AMS jurisdictions according to the ASEAN Guidelines for Accreditation and Conformity Assessment, which were developed by the Working Group on Accreditation and Conformity Assessment, and endorsed by the ASEAN Consultative Committee on Standards and Quality in 2015. The relevant provisions provided in these guidelines shall be used as the basis for mutual recognition of Conformity Assessment Bodies (e.g. the standards by which AMS must meet Milestone 1). These include the following provisions from the ASEAN Guidelines for Accreditation and Conformity Assessment:

1. Each AMS shall either appoint a single National Accreditation Body (NAB) to be responsible for accreditation, or if there is no accreditation body within the AMS's territory, appoint a National Accreditation Focal Point (NAFP) with an overall mandate and responsibility for accreditation for purposes of the MRA.
2. Where an AMS does not have a NAB or has a limited scope of accreditation services, conformity assessment bodies established in its territory may avail the services of accreditation bodies that are parties to APLAC MRA, ILAC MRA, PAC MLA, or IAF MLA.
3. Conformity assessment bodies should demonstrate competence by adhering to international standards for conformity assessment bodies, including ISO/IEC 17020, ISO/IEC 17021, ISO/IEC 17024, ISO/IEC 17025 and ISO/IEC 17065.

Designating bodies within each AMS will recommend NABs and CABs for listing under the MRA. The technical committees will review the NABs and CABs recommended for listing to confirm that they demonstrate competence by adhering to the relevant ISO standards, and make a recommendation to the Joint Sectoral Committee. Recommendations from the technical committees may include: "Accept for Listing on the MRA"; "Request further Information for Consideration of Listing on the MRA"; or "Recommend Areas for Operational Upgrading Before Listing on the MRA."

3. Single Mechanism with Cross-Sectoral and Sectoral Institutional Arrangements for Implementation

We recommend that a single regional mechanism be implemented, covering the three ASEAN standards together (GAP, GAqP, GAHP), and be adaptable so that as any new ASEAN Standard to be developed and/or those that have been developed/endorsed by relevant working groups may be integrated into the existing MRA (e.g. Halal, Organic Agriculture). A single regional mechanism for the administration of all of the ASEAN Best Practices Standards is recommended to involve the following institutional arrangements to allow for overall implementation, and sector specific considerations:

- Joint Sectoral Committee (JSC): regional institution responsible for the implementation of the mechanism, including publishing the standards, promoting and raising MRA awareness, facilitating alignment assessments and peer reviews for national standards against ASEAN Standards, and reviewing and approving the CABs put forward for listing by national DBs. Importantly, JSC must be comprised of different agency and/ or personnel than the DBs and TCs.
- Designating Bodies (DB): national level institutions responsible for identifying and nominating capable CABs (including CBs and Abs) for listing on the MRA, and monitoring their performance to ensure they continue to meet agreed upon international standards. DBs do not assess or accredit CABs directly - they assess the 3rd party determination of a CAB's adherence to the relevant international standards. DBs shall be comprised of different agency and/ or personnel than the JSC and TCs.
- Technical Committees (TC) for each ASEAN Standard: regional institutions comprised of experts and representatives from each of the relevant AMS government departments, private sector, and further technical working groups etc. as required to provide peer reviews, regular reviews/revisions of the ASEAN Standards, and carry out sector-specific work plans. Importantly, TCs must be comprised of different agency and/ or personnel than the JSC and DBs. Required expertise of TC members shall be developed by the MRA Task Force and detailed in the MRA itself.

Advantages of having just one umbrella MRA for all relevant standards include:

- Additional/new ASEAN Standards could be incorporated into the MRA if/when required.
- Eliminating replication of standards administration departments will reduce costs.
- Streamlining systems for issuance and recording of new certificates will reduce costs.
- Separation of the standards setting bodies from the certification bodies is highly desirable.
- Accreditation of more CABs (including public and/or private CABs) will increase choice for growers.

4. Addressing ASEAN Ancillary Product (Marketing/Quality) Standards

We recommend the ASEAN Product Standards are not explicitly included in MAMRASCA. Product (marketing/quality) standards form an important part of improving trade between national, regional, and international partners. By laying down required characteristics for Class 1 quality, Class 2 quality, and so on, a supplier can more fully understand what a client is requiring when he orders produce of any kind, and buyers have a greater degree of certainty about what they are buying. Agreeing standards between suppliers and buyers, and between nations is a proven method of expanding trade, and reducing disputes between buyers and producers. Generally product standards refer to physical characteristics – appearance, flavor, freedom from defects/damage etc. As important as product standards are for trade, and while they can certainly be referenced in legislation and regulations governing food trade, they are not generally considered to address food safety, worker safety, and environmental protection as are relevant process standards.

While product standards might be valuable as a referenced quality standard in the MRA for GAP, GAHP, and GAqP, they should not be considered as core standards underlying the MRA. Product standards are perhaps more appropriately administered by a Standards Agency, as they are subject to a regime of market and port inspections and require different types of infrastructure and administration. This recommendation to include the ASEAN Product Standards as only a voluntary standard referenced in the MRA is consistent with the discussions of the 11th meeting of the Task Force on ASEAN Standards for Horticultural Produce and Other Food Crops (TF-MASHP).

5. Addressing the recognition of producers vs. recognition of products

We recommend the MRA focus on certifying the producer and named crops, rather than whole of farm, except where organic and/or halal standards may be introduced at a later date.

Internationally, systems vary for recognition of a producer's farms, or a producer's products. For instance, organic standards typically cover all the production an organic producer grows on his/her land,⁷⁸ whereas in other systems, such as Fairtrade, and GLOBALG.A.P., only named crops grown and specified by a farmer and audited by a certification board are included in the certification. For instance, if a grower is certified for tomatoes and green beans, other crops grown by this producer do not automatically have certification – the grower would need to apply for the certification of these additional products.

A key advantage of the recommended certification system is that producers avoid the need to audit all of their crops and cropping system when they may only wish to certify one or two crops grown on their land based on their buyer's demands. This is particularly beneficial for diversified farming systems. For example, a farmer may wish to have their arable crops certified given specific end market demands, but buyers do not specify the same certification requirements for the orchard crops grown on the same farm. In other words, the recommended system is market demand driven and lowers the administrative burdens on farmers. This recommendation may be revisited for further discussion in the MRA Task Force.

⁷⁸ Nonetheless, under such organic whole of farm certification systems, products very often must still be named because a list of traded products typically must be attached to the farm registration document.

8.4 Four Year Work Plan to Implement the Recommended Model

4 Year Work Plan (from April 2017) to Implement MAMRASCA

			YEAR 1				YEAR 2				YEAR 3				YEAR 4			
Action Item	Description	Responsibility	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Pre-Signature Action Items																		
Formalize Expert Working Groups	Formalize establishment of GAHP and GAQP Expert Working Groups under ASWG-Livestock and ASWG-Fisheries respectively (to achieve same status as EWG-GAP) -- note that these EWGs should be reconstituted as sector-specific Technical Committees (TCs) once the MRA has been signed and entered into force.	ASEC, ASWG-Livestock, ASWG-Fisheries																
	EWGs to develop and/or review/revise specific Plans of Action (POAs) outlining sector/standard-specific steps for MRA implementation (Refer to Work plan 2) and ensure elements of the proposed MRA are provided for in the POAs	EWGs																
ASWG Consultations	Report workshop recommendations to ASWG-Crops, ASWG-Livestock, ASWG-Fisheries	EWG-GAP, ASEC, TBD																
Initial National Consultations	Identify all relevant line agencies and AMS decision makers	NFPs																
	Report workshop recommendations to appropriate decision makers including line manager/director, ministerial DGs, customs/trade officials, other relevant agencies.	NFPs																
	Develop and provide "Consultation Kit" or official correspondence from ASEC on MRA Model consensus to aid in initial national consultations	Consultant																
SOM-AMAF Consultations	Ensure that a presentation of MRA Recommendations are entered on the SOM-AMAF Agenda	ASEC																
	Present recommendations to SOM-AMAF (August, 2017 in Singapore), including a draft MRA Task Force TOR for SOM-AMAF to consider	Consultant																
	SOM-AMAF to consider, and if appropriate, provide endorsement, and may determine timeframe for negotiations and implementation	SOM-AMAF																
Initiate the activities of the MRA Task Force	Establish the MRA Task Force by identifying and inviting TF members. Invite relevant working group, sector specific experts, cross-sector representatives from AMS, and private sector collaborators	ASEC and NFPs																
	Draft MRA text, facilitate consultative TF meetings for members to deliberate specific clauses and language included in the MRA. Assign timelines for detailed implementation at regional and national levels (Iterative process with at least 3 consultative meetings over a 12-18 month period)	Consultant																
	Conduct Needs Assessment in CLMV to identify specific capacity building, upgrading requirements, and necessary investments to meet MRA accession milestones. The needs assessment should provide recommendations, including a draft schedule of implementation, and coordinate with the ASEC Initiative for ASEAN Integration (IAI) to identify sources of funding for	Consultant																

4 Year Work Plan (from April 2017) to Implement MAMRASCA

			YEAR 1				YEAR 2				YEAR 3				YEAR 4			
Action Item	Description	Responsibility	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	capacity building activities. The recommendations and potential funding mechanisms shall be included as an annex of the MRA text.																	
	Disseminate draft MRA text to AMS for final consideration, feedback.	ASEC																
Final National Level consultations	Once MRA text is drafted and agreed at the Task Force level, AMS are to undergo cross-ministerial consultation to move towards signature	AMS																
	Develop detailed consultation kit reflecting the specific clauses and terms of the MRA to support national level discussions	Consultant																
Post-Signature Action Items																		
Domestic ratification	AMS to determine domestic ratification process, and to submit information on national treaty requirements to ASEC within a specific timeframe	AMS																
	AMS are to determine any national legislative changes necessary to fully implement the MRA	AMS																
	AMS to add elements of the MRA to relevant national plans/strategies	AMS																
	Where relevant, relevant national authority and/or relevant Ministerial leadership will issue a decree or announcement which serves as notice of MRA ratification to public and private sector stakeholders	AMS																
	Determine if an inter-ministerial committee is necessary and/or most relevant ministry for leading the implementation of the MRA	AMS																
Establish Joint Sectoral Committee	Identify funding, develop terms of reference, accept nominations of AMS representatives, determine frequency of meeting, determine decision making processes, determine procedures for dispute settlement, establish accepting standards alignment assessments, establish procedures for approving/listing, and removing/delisting CABs	ASEC																
	Based on agreed selection process, and governance principles, invite strategic private sector actors to participate in JSC as observers	ASEC																
Establish Technical Committees	Consider reconstituting EWG-GAP, newly established EWG-GAHP, and newly established EWG-GAQP as sector specific technical committees for MRA implementation.	ASEC																
	Identify funding, establish terms of reference, frequency of meeting, membership, decision making processes, and develop sector specific work program for MRA implementation.	ASEC																
	Based on agreed selection process, and governance principles, Invite sector-specific strategic private sector actors to participate in TCs in an advisory role	ASEC																
Assign Designating Bodies and Establish CAB recognition procedures	Each AMS recommends a DB who will assess and monitor national-level CABs.	AMS																
	Establish procedures for recommending and monitoring CABs for listing based on relevant international standards (e.g. ISO 17065 for CBs, and 17011 for AB)	JSC																
	DBs will identify and recommend National Competent CABs in each AMS	DBs																>

4 Year Work Plan (from April 2017) to Implement MAMRASCA

			YEAR 1				YEAR 2				YEAR 3				YEAR 4			
Action Item	Description	Responsibility	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Ongoing Action Items at the Regional and National Levels																		
Alignment of National Standards against ASEAN Standards	Disseminate detailed guidance for AMS to carry out Standards Alignment Assessments	ASEC																>
	AMS competent authorities to conduct Standards Alignment Self Assessments, followed by Peer Review and group validation process; Technical Committees to review results	AMS, TCs, JSC																>
Listing and Monitoring of National CABs	Develop detailed guidance for the listing of CABs, (including ISO 17065 for CBs, and 17011 for AB), obtain endorsement from SOM-AMAF, and disseminate to AMS and DBs	TCs, JSC																
	Designating Bodies assess the 3 rd party determination of a CAB's adherence to the relevant international standards; issue recommendations for listing to TCs; TCs review and provide recommendation to JSC for listing; JSC approves or rejects listing; DBs continue ongoing monitoring of national CABs and provide recommendations for de-listing as necessary	DBs, TCs, JSC																>
Regional Promotion/Awareness building	Establish/implement work program for marketing and promotion to increase recognition and adoption of ASEAN Standards at buyer & producer level	JSC																>
	Establish/manage web enabled database to announce and disseminate information on national standards alignment status, listed CABs, and updates on MRA work program	JSC																>
	Organize an initial public/private sector workshop on ASEAN agri-food MRA implementation	JSC																
National Promotion/Awareness building	Establish/implement a national program for marketing and promotion to increase buyer and producer recognition and adoption of ASEAN-aligned Standards	AMS																>
	Organize initial national public/private sector workshop on ASEAN agri-food MRA benefits	AMS																
Facilitate capacity Building at the producer level	Farm level awareness of regional market access with ASEAN Standards compliance via radio, mobile, and in-person farmer field days; education/awareness including farm-level technical training; leverage existing government extension systems, engage private sector for farm-level training (e.g. CropLife Asia), identify funding from ASEC, AMS, and/or international donors to implement capacity building initiatives.	JSC, TCs, AMS																>
Facilitate capacity building at the CAB level	Facilitate access to technical assistance for existing CABs to meet relevant ISO standards. Design national capacity building initiatives for existing CABs based on needs identified in Needs Assessment (e.g. Re-organization of existing CABs to ensure separation of accreditation and certification services.), identify funding from ASEC, AMS, and/or international donors to implement capacity building initiatives.	JSC, TCs, AMS																>

4 Year Work Plan (from April 2017) to Implement MAMRASCA

			YEAR 1				YEAR 2				YEAR 3				YEAR 4			
Action Item	Description	Responsibility	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
	Facilitate training to testing laboratories based on Good Laboratory Practices (GLP), ASEAN Reference Labs (ARLs) can deliver training on pesticides, heavy metals, and microbial contaminants for laboratory analysts	JSC, TCs, AMS																>
Facilitate capacity Building at the public sector/ regulator level	Facilitate intra-AMS exchanges; design national capacity building initiatives for relevant public sector regulators (e.g. MRA implementers) based on needs identified in Needs Assessment, identify funding from ASEC, AMS, and/or international donors to implement capacity building initiatives.	JSC, TCs, AMS																>
	Identify, assess, and highlight potential opportunities to streamline national regulations on imported agri-food on the basis of ASEAN Standards	Consultant																>

8.5 Work Plan 2: MRA Technical Committee Action Items

Work Plan 2: MRA Technical Committee Action Items			YEAR 1				YEAR 2				YEAR 3				YEAR 4			
Action Item	Description	Responsibility	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
GAP, GAHP and GAqP Technical Committee Action Items																		
Support national standards alignment with ASEAN GAP, GAHP and GAqP (Note that this activity may begin in earnest, to be led by EWGs and ASWGs before TCs are established.	Alignment of national standards with ASEAN GAP, GAHP, and GAqP standards using prescribed alignment tool	TC-GAP, GAHP, GAqP																>
	Conduct peer review of national self-assessments	TC-GAP, GAHP, GAqP																>
	Monitor progress of national GAP, GAHP and GAqP alignment, and report progress to JSC, ASWG-C, and SOM-AMAF	TC-GAP, GAHP, GAqP																>
Support implementation of ASEAN GAP, GAHP and GAqP across AMS	Identify capacity building/training needs of small producers, large producers, SMEs, and other stakeholders to adopt ASEAN GAP, GAHP and GAqP or its aligned National equivalent	TC-GAP, GAHP, GAqP																>
	Identification of pilot farms for certification based on National Standards aligned with ASEAN GAP, GAHP and GAqP with the participation of private sector advisors	TC-GAP, GAHP, GAqP																>
	Facilitate training and capacity building for pilot farms and other stakeholders to adopt ASEAN GAP, GAHP, GAqP	TC-GAP, GAHP, GAqP																>
	Facilitate exchanges/study visits for producers across AMS to visit and learn from ASEAN standards pilot farms	TC-GAP, GAHP, GAqP																>
Support countries (particularly CLM) to implement ASEAN GAP, GAHP and GAqP	Facilitate GAP, GAHP and GAqP training for farmers, extensionists, auditors in CLM countries	TC-GAP, GAHP, GAqP																>
	Facilitate capacity building for CABs (national certification and accreditation mechanisms) in CLM countries	TC-GAP, GAHP, GAqP																>
	Establish/support national working groups to review existing laws and/or regulations to strengthen the support of GAP, GAHP and GAqP	TC-GAP, GAHP, GAqP																>
	Facilitate regional exchanges from countries with experience implementing ASEAN GAP, GAHP and GAqP to CLM Countries	TC-GAP, GAHP, GAqP																>
	Identify capacity building requirements and facilitate training/capacity building to producers, trainers, auditors, government extensionists	TC-GAP, GAHP, GAqP																>

Work Plan 2: MRA Technical Committee Action Items

			YEAR 1				YEAR 2				YEAR 3				YEAR 4			
Action Item	Description	Responsibility	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Support national and regional awareness building	Develop documents or infographic video on ASEAN GAP, GAHP, GAqP	TC-GAP, GAHP, GAqP																>
	Support national and/or regional seminars, trainings, and meetings on ASEAN GAP, GAHP, GAqP with the participation of key private sector advisors	TC-GAP, GAHP, GAqP																>
	Publish/disseminate ASEAN GAP, GAHP and GAqP standards and interpretation/guidance document to AMS governments, private sector stakeholders, and producer organizations	TC-GAP, GAHP, GAqP																>
	Translate existing training materials from the English version in national languages	TC-GAP, GAHP, GAqP																>
	Upload English language training materials and any national language training materials to MRA web enabled database managed by JSC	TC-GAP, GAHP, GAqP																>
	Develop publication for new GAP, GAHP and GAqP agricultural commodities	TC-GAP, GAHP, GAqP																>
Private sector market facilitation	Facilitate business networking and linkage opportunities between ASEAN GAP, GAHP and GAqP-aligned small-scale farmer organizations and buyers (local markets, regional supermarkets, importers, exporters) via national and regional seminars, workshops, and trade missions	TC-GAP, GAHP, GAqP																>
	Promote ASEAN GAP, GAHP and GAqP and aligned national GAP, GAHP and GAqP for large scale commercial producer uptake, and facilitate market linkages with national, regional, global buyers.	TC-GAP, GAHP, GAqP																>
ASEAN GAP, GAHP and GAqP data management	Collect/store information on ASEAN GAP certified farms, ASEAN GAP documents (standards, guidelines, etc.) and link with agri-food MRA database managed by JSC	TC-GAP, GAHP, GAqP																>
Develop standards revision procedures	Draft, and finalize procedures for the revision of the 4 modules of ASEAN GAP, GAHP and GAqP and its interpretive guides	TC-GAP, GAHP, GAqP																>
Develop new best practice standards	Draft best practice standards for new agricultural commodities	TC-GAP, GAHP, GAqP																>

Annex I: List of Respondents to AMS Standards Admin Survey

The consultant team would like to express our utmost gratitude for the questionnaire responses received from the following stakeholders and others not listed here who completed the AMS Standards survey anonymously in June/July 2016:

ASEAN Member State	Stakeholder Name	Organization	Title
Brunei	Noor Azri Bin Haji Mohamad Noor/Hirman	Crop Protection Unit/Vegetable Industry Unit, Department of Agriculture and Agri-food	Senior Plant Pathologist/Plant Entomologist
Brunei	Mohd Ayub Suhaili	Eco Nadi Agrobiz	Manager/Owner
Brunei	Hazel Lim	United Agri-Fishery Sdn Bhd	Business Development Manager
Cambodia	Chhun Hy HENG	Department of Plant Protection Sanitary and Phytosanitary	Deputy Director
Indonesia	Konny Sagala	National Standardization Agency of Indonesia (BSN)	Head of Center for Cooperation on Standardization
Indonesia	N/A	Directorate General of Customs and Excise of Indonesia	N/A
Indonesia	Abdul Wahid Halim Gusnadi	Ministry of Trade, Department of Foreign Trade	Assistant Deputy Director
Lao PDR	Mr. Thavisith Bounyasouk	Standard Division, Department of Agriculture, MAF	Deputy Director
Malaysia	Dr. Mohamad Razli Bin Razak/Dr. Moktir Sing A/L Gardir Singh	Department of Veterinary Services, Ministry of Agriculture and Agro Based Industry	Senior Veterinary Officer
Myanmar	Mr. Khin Maung Maw	Department of Fisheries, Ministry of Agriculture, Livestock and Irrigation	Director General
Myanmar	Mr. Aye Ko	Department of Agriculture(DOA) Ministry of Agriculture, Livestock and Irrigation (MOALI)	Deputy Director General
Myanmar	Mr. ThuraSoe	Horticulture and Plant Biotechnology Division Department of Agriculture(DOA) Ministry of Agriculture, Livestock and Irrigation (MOALI)	Director
Myanmar	Dr. Soe Win	Livestock Breeding and Veterinary Department, Ministry of Agriculture, Livestock and Irrigation	Director
Myanmar	Aung San Win	Livestock Breeding and Veterinary Department	Veterinary Officer
Myanmar	Dr. Toe Nandar Tin	Annawa Devi Fishing and General Trading Co-operative Ltd.	Chair Person
Myanmar	Dr. Kyaw Htin	KyawTha Ra Phu Trading Co., Ltd	Managing Director
Myanmar	Mr. Yan Naing Htun	Department of Trade	Director General
Philippines	Gari Pellinor U. Hernandez	Department of Agriculture – Bureau of Agriculture and Fisheries Standards	Science Research Specialist II
Philippines	Jan Vincent Tecson	Department of Agriculture – Bureau of Agriculture and Fisheries Standards (BAFS)	Science Research Specialist II
Philippines	Lourdes R. Ersando	Bureau of Animal Industry	Veterinarian III

ASEAN Member State	Stakeholder Name	Organization	Title
Philippines	Mario M. Espeso	Labo Progressive Multi-purpose Cooperative	General Manager
Philippines	Annie M. Cabreros	PHILBEST Canning Corporation	VP Plant Operations
Philippines	Guillermo F. Saret Jr	Saret Organic Farmville (SOF)	Owner
Singapore	Melissa Chang	Agri-food & Veterinary Authority of Singapore (AVA)	Senior Executive Manager (Horticulture)
Singapore	Dr. Kelvin Lim	Agri-food & Veterinary Authority of Singapore (AVA)	Director (Surveillance and Inspection)
Singapore	Wee Joo Yong	Agri-food & Veterinary Authority of Singapore (AVA)	Deputy Director (Aquaculture)
Thailand	Ubolratana Suntornratana	Department of Fisheries	Fisheries Biologist
Thailand	Manat Larpphon	Standard Development Division, National Bureau of Agricultural Commodity and Food Standard (ACFS).	Senior Standard officer
Vietnam	Do Van Hoan	Department of Livestock Production	Deputy chief of Poultry and Small Livestock Division

Annex 2: Private Sector Market Survey Questionnaire

Q1. How many employees does your company have?

- a. 1-10 b. 11-50 c. 51-100 d. more than 100

Q2. How many branches does your company have?

- a. 1-2 b. 3-5 c. 6-10 d. more than 10

Q3. In which ASEAN countries is your company operating? (Check all that apply)

- a. Brunei b. Cambodia c. Indonesia d. Lao PDR
e. Malaysia f. Myanmar g. Philippines h. Singapore
i. Thailand j. Vietnam

Q4: Do you require your suppliers to be compliant with formal agri-food standards for food safety, environmental protection, or worker safety?

Yes No

Q5: If you answered yes to Q4, which set of agri-food standards do you require your suppliers to be compliant with? (Check all that apply)

- a. National Standards b. GLOBALG.A.P. c. Your own private standards
d. Other _____

Why did you choose this standard? _____

Q6: Are you familiar with the ASEAN agri-food standards, including Good Agricultural Practices for fruits/vegetables, Good Aquaculture Practices for food fish, and Good Animal Husbandry Practices for poultry products?

Yes No

If yes, what do you know about these standards? _____

Q7: Do you see the use of ASEAN-wide agri-food standards as something positive or negative for your business and your food sourcing decisions?

Positive Negative I don't know

Why? _____

Q8. The ASEAN Secretariat and agri-food officials from all ASEAN countries are currently considering ways in which ASEAN-wide standards could help increase agri-food trade.

Would you be interested in engaging with the ASEAN Secretariat and your government in this initiative? (Check all that apply)

a. Yes, Provide Advice to Policymakers

b. Yes, Help Revise Standards

c. Yes, Promote the ASEAN Standards to Customers

d. Yes, Promote the ASEAN Standards to Suppliers

e. No, Not interested in involvement

Other _____

Q9. If you answered yes, and would like to discuss further, please provide your name and contact information (Optional)

Your name <i>(optional)</i>	
Your contact information <i>(optional)</i>	

Annex 3: Background of Existing Standards Alignment Guidelines

There are no published standards for the process of Standards Alignment Assessments; however, several organizations publish guidelines and explanations of the processes they carry out to conduct assessments of alignment/equivalence to a referenced standard. Below is an overview of existing guidelines:

Global Organic Market Access (GOMA):⁷⁹ GOMA was a joint project initiated by FAO, the International Federation of Organic Agriculture Movement, and the United Nations Conference on Trade and Development, which continued work started by the International Task Force on Harmonization with the development of EquiTool Version 2. Topics covered by the guide include: the review team and processes, assessment of alignment of organic production and processing standards and technical regulations, plus criteria for permitted variation between standards.

Global Food Safety Initiative (GFSI):⁸⁰ The GFSI was developed as a benchmarking system for food safety standards to reduce the duplication of food safety certification. Organizations with standards that have been benchmarked and recognized with GFSI standards include: BRC, SQF, GLOBALG.A.P., FSC 22000, and others. The GFSI system is sometimes described as a closed system, in which decisions are made by invited members (large retailers, food service operators and manufacturers) with limited input from non-member stakeholders. However, GFSI provides extensive guidelines including instructions for selection of standard reviewers/committee members, formatting/presentation of standards for assessment, food safety subjects, some GAP subjects, the technical equivalence process for government owned certification schemes, and the appeals process.

World Trade Organization:⁸¹ The Sanitary and Phytosanitary Committee of the WTO made the use of “equivalence” provisions easier for members effective 24 October 2001, and requires governments to accept different measures if they provide the same level of health protection for food, animals and plants.

Codex Alimentarius:⁸² Codex guidelines do not include a detailed matrix for assessment of equivalence or alignment of standards but has published guidelines associated with food inspection and certification, including: CAC/GL 53-2003 Guidelines on the Judgement of Equivalence of Sanitary Measures Associated With Food Inspection and Certification Systems, and CAC/GI 34-1999 Guidelines for the Development of Equivalence Agreements Regarding Food Import and Export Inspection and Certification Systems.

Safe Quality Food (SQF):⁸³ SQF operates autonomously of its parent company the Food Marketing Institute. The SQF Initiative sets a series of private, certifiable, food safety standards, and publishes standards and guidelines, supporting documents, and a comparison of SQF Module 7 with US standards.

GLOBALG.A.P.⁸⁴ To date 16 GAP schemes have been formally recognized as equivalent to GLOBALG.A.P. and five GAP schemes are recognized as resembling GLOBALG.A.P.. When assessing the equivalence of standards who wish to align with its standards, GLOBALG.A.P. evaluates standards’ checklists and other normative documents, consults members for peer review and opinion, performs on farm assessments of standards being assessed, and conducts a benchmarking committee review by industry experts, to determine the level of equivalence for applicant standards.

⁷⁹ <http://www.fao.org/docrep/015/an905e/an905e00.pdf>

⁸⁰ http://www.mygfsi.com/files/Technical_Documents/GFSI_Guidance_Document_2015.pdf

⁸¹ https://www.wto.org/english/tratop_e/sps_e/decisions06_e.htm

⁸² <http://www.fao.org/fao-who-codexalimentarius/en/>

⁸³ <http://www.sqfi.com/documents/>

⁸⁴ http://www.GLOBALG.A.P..org/uk_en/what-we-do/the-gg-system/benchmarking/BM-Equivalence/index.html

Annex 4: Adapting the ASOA Equivalence Matrix for Assessment of Alignment with ASEAN Standards

The following image provides basic visual guidance on how the original ASOA Equivalence Matrix can be adapted so that it can be used as an instrument for the Assessment of Alignment between a national standard and an ASEAN Standard. The image below presents a template that has already been completed by the EWG-GAP for alignment assessments with ASEAN GAP, as shown here, however a template has not yet been adapted for ASEAN GAqP or GAHP.

ALIGNMENT ASSESSMENT OF NATIONAL STANDARD AGAINST ASEAN GAP STANDARDS																			
Sections and Requirements in the ASEAN GAP		Corresponding Requirements in National Standard & Other Regulations		Self-Assessment			Justification/Comment	Lead Review			Comment	2nd Review			Comment	Validation Result			Comment
		COUNTRY :						Date				Date				Date			
Ref.	Description	Ref.	Description	E	A	N		E	A	N		E	A	N		E	A	N	
2	Food Safety Module																		
	Site History and Management																		
1	The risk of contaminating produce with chemical and biological hazards from the previous use of the site or from adjoining sites is assessed for each crop grown and a record is kept of any significant risks identified.																		
2	Where a significant risk of chemical or biological contamination of produce has been identified, either the site is not used for production of fresh produce or remedial action is taken to manage the risk.																		
3	If remedial action is required to manage the risk, the actions are monitored to check that contamination of the produce does not occur and a record is kept of the actions taken and monitoring results.																		

Annex 5: Links to Existing ASEAN MRAs

1. ASEAN MRA on Tourism Professionals:

<http://agreement.asean.org/media/download/20150119182157.pdf>

2. ASEAN MRA for Cosmetics:

<http://aseancosmetics.org/docdocs/mutual.pdf>

3. ASEAN Sectoral MRA on Electrical and Electronic Equipment:

http://www.asean.org/storage/images/2015/January/Listed_Testing_Laboratories_and_Certification_Bodies_under_the_ASEAN_Sectoral_MRA_for_Electrical_and_Electronic_Equipment/PTEC%20Testing%20Lab%20Listing%2018%20Dec%202014%20-%202%20Mar%202017.pdf

4. ASEAN MRA for GMP of Pharmaceuticals:

<http://asean.org/storage/images/archive/documents/Agreement%20on%20MRA%20for%20GMP%20Pharmaceutical.pdf>