The Role of Public-Private Partnership in SPS compliance for Maintaining Export Markets

Lessons learnt from Kenya’s horticulture sector

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SPS compliance – A joint effort

• Achieved where need to access markets creates & sustains pressure on public sector agencies to
  – establish systems for functional regulatory actions / official controls

• Private sector that appreciates the purpose of work of regulatory agencies

• Public sector carries out purpose-driven inspection & certification i.e.
  – No ad hoc waivers/interventions
  – Regulatory actions are risk based & measures informed by science
Effective compliance

Private & public sectors empower each other to

✓ establish systems for functional regulatory actions/official controls
✓ harness complementarity of roles & communication

Capacity development efforts/initiatives jointly empower private and public sector players

NB: Strong private sector association to enable cascading of corrective actions needed to maintain compliance

Production facility inspection: together, each achieves more!!!

With relevant skills, end result is not sector dependent!!!
Whom to involve in PPP for SPS compliance?

**Public Sector**
- WTO SPS / THE 3 SISTERS
- MoJ/AG
- FOREIGN AFFAIRS
- MIN TRADE
- MoH, MoF
- MoA
- CUSTOMS
- SPS Reg. agencies
- PORTS AUTH.

**Private Sector**
- PRODUCERS
- CONSUMERS
- BUSINESS ASSOCIATIONS
- IMPORTERS & EXPORTERS
- RESEARCH
- ECONOMIC POLICY
- FREE-TRADE

**Production - Commercialization Chain**
- PRODUCTION
- PROCESSING
- TRADE

**Imports**
- IMPORTS

**Exports**
- EXPORT MARKET ACCESS
- EXPORT CERTIFICATION
- IMPORT VERIFICATION
What should PPPs do?

• Establish structured dialogue mechanisms to address emerging market access issues
• Design joint government & industry implementation mechanisms for SPS measures
• Ensure sustained pull (demand related to consumer confidence) from the end user and push (guarantee that systems will not disappoint) from the suppliers
Sector segregated approach

• Private sector response – move towards self-regulation
  – Limited by business interests that may try to overlook the purpose of work of public sector (regulatory agencies)

• Public sector response – often as “harsh” & non consultative with inadequate provision of justification of certain actions to private sector clientele
  – covers shortcomings – incompetence of the competent authorities!!!!

• Desired action: supply chain approach with joint actions, clear roles at specified actions points cf HAACP or PHACCP & public-private information sharing
  – Each according to own strength for a common purpose
Points of success

• Getting public & private sector agencies to a forum where all talk as equal with complementary roles & commonality of purpose
• Focused meetings on need basis to address real emerging issues & design corrective actions
• Examples of successful market access challenges addressed successfully:
  – QPs in consignments of flowers, FFVs to EU in 2007/8 leading to FVO evaluation – FVO evaluation
  – MRLs for pesticide in snap beans, snow peas, passion fruits and other minor use crops – FVO evaluation in 2007/2008
• An example of failed case market – relating to precautionary actions on *B. invadens*
  – Not allowing govt to govt intervention nor private sector/govt to private sector/govt engagement
  – Politicizing a regulatory action of a trading partner with the hope that retaliatory action as a way out - **simply does not work!!!!**
Conclusions

• Joint PPP action requisite for design of a compliance structure & responsiveness to emerging issues

• Private sector capable of securing policy/political support & goodwill needed by public sector to secure investment in support structures for SPS capacity

• SPS compliance is possible only with good communication & information flow

• PPPs needed to establish structured dialogue

• SPS capacity best assessed by measures of performance rather than compliance with preset criteria/indicators!!!
THANK YOU