FIT FOR MARKET

ACP GROUP OF STATES

Duration

Countries

Budget

4 YEARS

15 MILLION €
To submit a request to COLEACP for FFM SPS support: email support@coleacp.org describing your SPS activities and the issues you face.

**KEY POINTS**

- COLEACP’s FFM SPS programme works to strengthen sanitary and phytosanitary systems in the ACP horticultural sector.
- It focuses on challenges faced by ACP exporters of fruit and vegetables, particularly in light of the new European Union plant health rules coming into force in 2019 and the changing regulations affecting the use of plant protection products.
- The programme works to support all actors in fruit and vegetable value chains – producers, support services, national competent authorities and regional economic communities.
- Support is targeted at upgrading national competent authorities’ SPS capacity and systems through participatory processes with national stakeholder platforms and SPS Committees – processes that also improve these organisations’ ability to represent their members’ views and interests.
- With a strong link to research, FFM SPS identifies, tests and adapts technologies in the local context, for example in relation to establishing pesticide maximum residue levels (MRLs), applying Good Agricultural Practices, and supporting local registration of new products.
- The programme disseminates timely updates on decisions, policies and trends that have a potential impact on competitiveness and market access for ACP suppliers, and lobbies regulators, policymakers and standard-setters on behalf of the ACP horticultural sector.

**CONTEXT**

For success in agricultural trade at local, regional and international levels, African, Caribbean and Pacific (ACP) countries must supply food products competitively while respecting market standards and regulatory requirements. Although most have exported agricultural goods to Europe for many years, the rapid evolution of both sanitary and phytosanitary (SPS) and market requirements (environmental, social and ethical private standards) challenge the capacity of ACP countries to export to the European Union and other emerging markets. Evolving EU SPS regulations – including strengthening of plant health rules, and changing regulations governing the placing of plant protection products on the market – mean that many horticultural producers, farmers’ organisations, micro, small and medium enterprises (MSMEs), local experts and competent authorities lack the skills they need, preventing them from exploring new opportunities.

In the European Union, new SPS compliance challenges for the ACP horticultural industry arise from:

- strengthening of plant health rules (under current Directive 2000/29/EC and new Regulation EU 2016/2031), which is placing increased demands on inspection services and national plant protection organisations (NPPOs) in ACP countries;
- developments under Regulation (EC) 1107/2009, which governs the placing of plant protection products (PPPs) on the market – this review process is leading to a dramatic loss of PPPs, affecting the viability and competitiveness of some ACP exports, as well as exacerbating plant health problems and resulting in non-compliances with EU maximum residue levels (MRLs).

However, compliance with SPS and market requirements presents not just a constraint but also an opportunity, helping to modernise agricultural processes and increase international and intra/inter-regional trade, as well as ensuring food safety in domestic markets.
THE FIT FOR MARKET SPS PROGRAMME

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COLEACP’s **Fit For Market Sanitary and Phytosanitary (FFM SPS) programme** is working to strengthen the competitiveness and sustainability of ACP horticultural value chains by enabling smallholders, farmer groups and organisations, and MSMEs to access international and domestic horticultural markets by complying with SPS issues and market requirements.

FFM SPS is supported by the framework of COLEACP’s Sustainability Programme, which focuses on the business case so that adopting good practice not only facilitates market access, but genuinely helps suppliers run more efficient, profitable and resilient businesses.

**BENEFICIARIES**

Direct beneficiaries include:

- producers:
  - horticultural MSMEs (including outgrowers, brokers/intermediaries and transporters linked to the value chain in formal markets);
  - farmer groups/cooperatives;
  - smallholders linked to formal markets.

- support services:
  - consultants and consultancy companies;
  - farmer organisations/associations with a representative function;
  - professional associations;
  - training centres (technical and educational institutions, universities);
  - certification bodies, auditors;
  - smallholder support structures (NGOs, public or private extension services, local support programmes for small producers);
  - national/regional technical working groups.

- national competent authorities:
  - NPPOs;
  - inspection services;
  - border controls;
  - PPP regulatory authorities;
  - plant health laboratories;
  - extension services.

- regional economic communities;

Indirect beneficiaries include:

- local and EU purchasing and retail companies (stimulating investment);
- local and EU consumers;
- rural communities.

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SUPPORTING COMPETENT AUTHORITIES

In the international trade of plants and plant products, competent authorities and official control systems are important areas for improvement. Capacity building is needed to ensure they operate efficiently, independently, transparently, and in conformity with international and regional standards.

FFM SPS addresses this need by targeting food safety, plant health, and national capacities for SPS troubleshooting in horticultural value chains. This involves upgrading SPS capacity and improving SPS systems to facilitate trade and ensure safe food for local and regional consumers.

Upgrading SPS capacity

FFM SPS activities focus on upgrading the SPS capacity within national competent authorities (NPPOs, inspection services, border controls, and national/regional PPP regulatory authorities) as well as laboratories and extension services. Activities include training and technical assistance directed at high-priority SPS problems associated with growing numbers of non-compliances at EU border controls.

FFM SPS is targeting known problem areas where there are major threats to future trade. Value chains particularly affected by changes to EU plant health rules include mango and capsicum. New and serious pest problems include the tropical race 4 (TR4) strain of *Fusarium oxysporum f.sp. cubense*, which affects many banana cultivars and poses a serious threat to the livelihoods of many thousands of producers and workers, notably in local and regional trade.

COLEACP is carrying out a review of national SPS regulatory and governance frameworks. Where problems are identified, it is advocating for good governance practices and providing advice on the reforms needed. The focus is on countries facing greater SPS challenges, or that are new to the programme and at early stages of developing their national SPS systems.

Improving SPS systems

FFM SPS aims to improve the efficiency and effectiveness of national SPS systems through the development of Good Practice Guides in horticultural value chains. These guides are developed using a risk assessment tool, developed by COLEACP’s EDES Programme, to enable SPS measures to be implemented in practice by all stakeholders at all stages of the value chain. The SPS Good Practice Guides provide a process for public and private stakeholders to engage and conduct value chain risk assessments, allowing them to jointly agree where SPS mitigation measures are most needed. This participatory process enables stakeholders to identify and address the constraints preventing SPS regulations and standards from being implemented and embedded in local (and potentially regional) value chains.

The process of developing Good Practice Guides also provides an opportunity to strengthen the functioning of national stakeholder platforms and SPS Committees. The extent to which they are able to capture and reflect the needs of their constituencies, and to influence policy, is included in the risk assessment. More effective involvement of private sector organisations in these national platforms also improves their ability to represent the views and interests of their members, and to raise trade-related concerns at the level of national, regional and World Trade Organization SPS Committees.
GENERATING KNOWLEDGE AND TECHNOLOGIES

Research is essential to address the challenges of poverty, hunger and undernutrition in ACP countries, but taking research results through to adoption and impact remains a major challenge. FFM SPS is promoting innovation and dissemination of outputs to end users, in particular small-scale farmers and SMEs, by brokering innovation and partnerships to adapt and apply novel products, processes and technologies.

Although most growers use integrated pest management, the use of PPPs remains a mainstay in export supply chains, allowing operators to meet the price, quality, consistency and volumes demanded by global buyers. Fresh produce has a short shelf-life and is subject to strict demands in terms of quality attributes. But in tropical countries, where pest and disease pressures are high, pest management is becoming increasingly challenging due to regulatory and market demands, noted above, that severely restrict access to PPPs for horticultural (minor) crops, making trade across borders difficult.

FFM SPS aims to identify, test and adapt technologies in the local context – for example by defending or extrapolating existing EU MRLs; establishing EU import tolerances; supporting CODEX MRLs for local and regional trade; establishing G.A.P. under local conditions for new MRLs or products; and supporting local registration of new products, including biopesticides. This also entails capacity building of ACP research organisations, capture and relay of research needs, and packaging of research and innovation outputs into a form appropriate for end-users.

The Joint Africa-EU Strategy on Agricultural Research for Development (AR4D) in sustainable agriculture and food and nutrition security highlights the need for complementary investment to manage knowledge from research and innovation, disseminate knowledge and technologies to farmers, and develop the capacity of beneficiaries to innovate and use research outputs. A number of initiatives, including the EU-Africa Research and Innovation Partnership on Food and Nutrition Security and Sustainable Agriculture, are aiming to link farmers, advisors, businesses and civil society organisations to researchers, to build capacity and mobilise resources for agri-food research and innovation. Within this context, FFM SPS brokers adaptive research and innovation, bringing together the public sector, national and EU research programmes, producers and multinational companies to address specific SPS needs relating to food systems, notably in crop protection and sustainable production.

MONITORING AND LOBBYING

FFM SPS is working to identify and monitor decisions, policies and trends that have a potential impact on competitiveness and market access for ACP suppliers, covering regulations (food safety, plant health, environmental, organic); the business and commercial environment (international standards, regulations, private standards, buyer practices, competing origins); and the donor environment (development programmes and practitioners). Robust mechanisms will follow value chain performance to generate evidence of impact on poverty reduction and economic growth – evidence that building the capacity of target operators leads to tangible outcomes in terms of job creation (including women), income generation, and increased sustainable local and global agri-trade.

Through FFM SPS, COLEACP advocates and lobbies to regulators, policymakers, standard-setters and value chain stakeholders, on behalf of the ACP horticultural sector. This helps to ensure programme support remains in line with evolving market demands and trends; trigger preventative actions and troubleshooting in the event of non-compliances; ensure ACP interests are represented by challenging unnecessary or unfair demands, practices or market access barriers; and strengthen the ACP countries’ capacity for lobbying and advocacy.

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POLICY CONTEXT

SPS issues are at the crossroads of different policy frameworks:

- **Food and feed** – Regulation (EC) 882/2004 states that the Commission shall promote support to developing countries with regard to food and feed safety in general, and with food and feed standards in particular, in order to build the institutional capacity required.

- **EU development cooperation** – article 48 of the Cotonou Agreement on Sanitary And Phytosanitary Measures recognises the right of each party to adopt or enforce SPS measures necessary to protect human, animal or plant life or health, and calls for the strengthening of cooperation between the parties through national and regional development strategies, with a view to reinforcing the capacity of the public and private sectors of ACP countries.

- **The EU Agenda for Change** also recognises the importance of agriculture for developing countries.

- **Private sector development** – building capacity in SPS and market requirements is highlighted in the EC Communication on a stronger role of the private sector in developing countries (COM(2014)263) and the ACP-EU Joint Cooperation Framework for Private Sector Development Support in ACP countries (June 2014).

- **The Joint Africa-EU Strategy** highlights the role of agriculture as a dominant economic sector, in which SPS standards play a crucial role.

- **For Caribbean and Pacific countries**, the Intra-ACP Agricultural Policy Programme seeks to increase the capability of smallholder agriculture and agribusinesses in the CARIFORUM region; and the 10th EDF Sanitary and Phytosanitary Measures Project (to 2017) facilitated entry and improved market access for CARIFORUM states through compliance with EU SPS measures.

- **For African countries** – the Africa-EU Alliance for sustainable investments and jobs (2018) outlines a series of key actions that include boosting strategic investment and strengthening the role of the private sector, investing in people by investing in education and skills, strengthening the business environment and investment climate, and tapping the full potential of economic integration and trade.

**COLEACP’s Fit For Market Sanitary and Phytosanitary (FFM SPS) programme forms part of the Intra-ACP Indicative Programme (2014–2020) of cooperation between the European Union and the ACP Group of States, with funding from the 11th European Development Fund, in the focal area of support for medium- and long-term policies to build productive capacity, inspire innovation, and enhance the sustainability and competitiveness of the private sector.**