UNFSS training programme for government officials - Jaipur, India

Mr. Arpit Bhutani, a member of the UNFSS support team, conducted a training programme on “Economic Diplomacy: Emerging Issues on SPS matters in India” which was organised by CUTS International for middle/entry level government officials in Jaipur, India from 11-13 November 2014. The programme was supported by the Department of Commerce, Ministry of Commerce and Industry and the Centre for WTO studies.

Programme participants included several government officials from the Ministry of Food Processing Industries, Agricultural and Processed Food Products Export Development Authority, Indian Council of Medical Research, Food and Safety Standards Authority of India, Marine Products Export Development Authority, Bureau of Indian Standards, Export Inspection Agency, Export Inspection Council of India, Coconut Development Board and Quality Council of India.

Mr. Bhutani gave the training session on 13 November explaining the concept of Voluntary Sustainability Standards (VSS), which include processes and production methods (PPMs) of goods related to environmental, social, economic and animal welfare issues (so-called non-product-related PPMs). He explained that while legally these standards are voluntary, they could de facto become mandatory through market power of VSS-applying companies or as supply chain management tools. They are most numerous in food, textiles, building and forest products.

He highlighted the importance of VSS as tools for market entry and sustainable development and stressed that at times they also become a serious market entry hurdle for small-scale producers. He supported this with data on VSS compliant production and the rapid growth it is witnessing in the agricultural markets especially for products like bananas, cocoa, coffee and cotton.

This was followed by a discussion on how regulations and private standards interact. SPS recognises codex alimentarius as the international reference for food safety standards, which highlights that they are accepted as a benchmark.

In Mr. Bhutani’s opinion, some of the challenges of VSS were multiplicity and lack of interoperability, their stringent, complex and multi-dimensional character, the risk of being used as anti-competitive instruments, deviation from international standards, burden on SMEs and green washing. VSS can be used for advancing sustainable production and consumption, promotion of competitiveness and internalization of environmental and social costs. They also ensure more inclusive governance across global supply chains and compliance with core ILO labour standards.

Mr. Bhutani also elaborated on the growing recognition of VSS in free trade agreements and mega regionals like TTIP and TPPA, which may lead to even higher
gold and platinum standards, so it was pertinent that countries like India develop a suitable strategy to deal with them.

Case studies were then presented on:

- Success of the Indian Organic Standard under the National Programme on Organic Production
- Eco labelling in India
- Good Agricultural Practices standards in Malaysia and Thailand

To understand the impact of VSS, a simulation exercise with the participants was undertaken where they were divided in teams of two in the roles of the importer, exporter, manufacturer, consumer, farmer and brands. They had to come up with arguments to support or criticize VSS on the basis of the role allotted. It turned out to be an informative exercise that helped participants better understand the nuances, opportunities and challenges of VSS.

There was also a session on the UN Forum on Sustainability Standards. This session began with an overview of the UNFSS, the establishment of the UNFSS in March 2013 and its importance as an inter-governmental forum for policy dialogue on VSS. The UNFSS hopes to play an effective role by focussing on public interest and public goods related to VSS. The UNFSS will promote a proactive role for developing countries, in surveillance, support and facilitation roles of VSS.

Against the backdrop of these challenges and opportunities of VSS, Mr. Bhutani explained the rational for a UNFSS-supported national VSS platform in India. This National Platform would be demand-driven and steered by Indian policy makers with a focal point in India to coordinate between the UN in Geneva and Indian policy makers. The UNFSS plans to have a meeting in the first half of 2015 to discuss in detail the main issues, challenges, public and private sector perspective on VSS, feedback from stakeholders, especially policymakers, and accordingly establish the India platform in the second half of 2015.