

Mr. Arpit Bhutani of the UNFSS Support team attended the conference on **Trade, Transport and Transit Facilitation in South Asia: Imperative of Bridging Macro-Meso-Micro Gaps between India and Bangladesh** on 29-30 October 2014, at the Hotel Lalit Great Eastern, Kolkata, India, organised by CUTS International.

Mr. Bhutani was a panellist in the session on **Standards and Transport related Barriers to Trade Facilitation between Bangladesh and India**. He stressed the importance of standards in the area of trade facilitation and the rise of non-tariff barriers in South Asian trade. A study conducted by the Asian Development Bank (ADB) shows that 86.3% of non-tariff barriers in the South Asian Association for Regional Cooperation (SAARC) region were SPS and TBT related.

Intra-regional trade in South Asia is merely 5 per cent as compared to 58 per cent in the EU, 52 per cent in the NAFTA region, and 26 per cent in the ASEAN zone. If SAARC is really seen as a common market, there should indeed be a regional standard approach, including harmonization and equivalence. This applies to the standards as well as the conformity assessment system.

Mr. Bhutani, stressed the fact that the efforts of the South Asian Regional Standards Organisation (SARSO) are widely appreciated, however standard-setting and conformity assessment should not be solely implemented by a regional standard organization. For instance, lessons could be learned from examples in the East African Community and in ASEAN where working groups of the national standard offices developed and agreed on regional standards.

South Asia can also learn from already existing successfully applied mutual recognition agreements under a number of regional arrangements, the most prominent examples being the European Union and NAFTA. In Asia, there are some attempts, at various stages of development, such as a current attempt in the electrical products sector, organic agriculture and good agricultural practice (GAP) in ASEAN (for the ASEAN common market being launched in 2015).

Voluntary Sustainability Standards (VSS):

The importance of VSS in South-South trade was stressed by several speakers. In the past, the trade model almost always considered the North as sites of consumption and the South as sites of production. However, now South-South trade has expanded exponentially, especially in the agro-forestry sector.

Private standards help address negative externalities of transnational production, as they are less constrained by national borders and rules. An example would be the potential application of ThaiGAP as private GAP standard in the ASEAN common market to facilitate trading among these countries and benchmarking ThaiGAP with ChinaGAP in order to promote ASEAN-China, i.e. South-South Trade.

Thereafter, Mr. Bhutani presented the United Nations Forum on Sustainability Standards (UNFSS), a joint initiative of FAO, ITC, UNCTAD, UNEP and UNIDO. It is a unique policy-discussion forum on pro-active governmental approaches to voluntary (private) sustainability standards, which aims to maximize the sustainable development benefits of their use, while minimizing associated costs and risks.