

**CHAIRMAN'S SUMMARY**  
**JOINT UNCTAD/WTO INFORMAL INFORMATION SESSION ON**  
**PRIVATE STANDARDS HELD ON 25 JUNE 2007**

1. On Monday, 25 June many of us attended an informal information session on private standards that was jointly organized by the UNCTAD and WTO secretariats. At its March meeting, the SPS Committee had requested that the Secretariat organize a second information session on private standards. Since UNCTAD was also planning a meeting on private standards to present the results of its case studies produced in the context of its Consultative Task Force on Environmental Requirements and Market Access for Developing Countries, the two activities were combined into one to allow the membership of both organizations to benefit from a broader range of views and presentations.

2. During the first session, we heard presentations from different private standards schemes: the Global Food Safety Initiative, EurepGAP, ISO and Tesco. Their presentations showed that there is a wide range of very different private standards schemes with different scopes and objectives. While some are more narrowly focused on food safety, others include other objectives, including environmental and social aspects and animal welfare. It became clear that there are different initiatives under way to attempt to harmonize certain individual retailers' standards in the food safety area; but as one speaker from the floor pointed out, there may be further room for harmonization among these different initiatives. Other questions and comments from the floor addressed the proliferation of private standards and the costs of compliance and certification; the inclusion of social and environmental aspects in private standards; and their effect on smallholders, especially in developing countries, and on poverty reduction.

3. During the second session, we heard several presentations of case studies, including UNCTAD's case studies from Uganda, Malaysia and Brazil, further case studies and analysis carried out by the OECD, and a presentation comparing national experiences with private standards in different regions. The presentations showed both challenges and opportunities for producers in exporting countries trying to meet private standards. The opportunities are related to achieving and securing market access for high-quality produce. Finding the resources for the necessary investments and to cover certification costs is one of the major challenges, especially since many business-to-business schemes do not result in a price

premium for producers. The presenters stressed the importance of stakeholder dialogue, and the need for cooperation between private and public sector to achieve compliance with demanding standards. The roles played by the government was one of the notable differences between national experiences identified by the speakers. For example, in ASEAN countries and in Brazil, national GAP schemes were largely government-owned, while in Chile and in certain African countries, the private sector played a greater role.

4. Presentations in the third session included an overview of private standards in the context of the TBT Agreement, information on FAO's work on private standards. There was also information on the ISEAL Alliance, an initiative to develop and apply a Code of Good Practice to private standard setters in the social and environmental areas. I invited participants to comment on legal issues, including the relationship between private standards and the SPS and TBT Agreements.

5. All of the presentations made at the session will be posted on the SPS gateway of the WTO web site and on UNCTAD's Trade, Environment and Development website as of next week.

6. Several comments from participants addressed the link between private and international standards, expressing concern about the effect of private standards on the objective of harmonizing SPS measures contained in the SPS Agreement. In this context, a couple of participants raised the bio-security approach developed by FAO, and suggested that the SPS Committee may wish to take this into account in its discussion on private standards. Other comments focused on the lack of a scientific basis for certain private sector standards and on the difficulties in recognition of equivalent standards. Several participants were of the view that an international forum was needed to address private standards, although it was not clear whether the appropriate forum was the SPS or TBT Committee, another WTO Committee, UNCTAD's Consultative Task Force on Environmental Requirements and Market Access for Developing Countries, or some other forum. Some participants noted that in their view, the SPS Agreement, in particular Articles 1, 13 and Annex A, applied to private standards, and suggested that the Committee come up with recommendations on how to move discussions of this agenda item forward, including the legal dimension.

7. In his closing remarks, the UNCTAD representative noted that more information was being exchanged on the subject of private standards than before, and that UNCTAD was

contributing by producing information on positive and negative effects and on how governments could respond proactively. He highlighted three clusters to keep in mind in the future: developmental impacts of private standards, market access issues and the relationship between private standards and WTO disciplines. UNCTAD considered itself to be well-prepared to facilitate discussion through activities such as this one and to provide support to its members. UNCTAD would concentrate on the development and market access clusters, leaving legal issues for other fora.

8. In closing the meeting, I noted that in my view the information session had achieved its objective of allowing participants to familiarize themselves with private standards schemes and their practical effects, and to serve as a forum for all participants to raise concerns. I also raised the question of where to go next in our discussions of this subject, and invited participants to reflect and provide ideas in the forum they deemed appropriate, be they one of the WTO Committees or UNCTAD. I also indicated that the SPS Committee would have an opportunity to discuss the issue during the regular meeting.

9. This is the end of my report.

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