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COMMITTEE ON FISHERIES

SUB-COMMITTEE ON FISH TRADE

Fourteenth Session

Bergen, Norway, 24–28 February 2014

REVIEW OF MARKET ACCESS REQUIREMENTS

Executive Summary

The paper reviews the recent developments in market access requirements related to consumer protection, animal health and related certifications, FAO's work in relation to scientific advice to the Codex Alimentarius Commission and support to member countries to implement the Codex standards, and FAO's work in relation to harmonization of non-regulatory certification requirements related to food safety.

Suggested action by the Sub-Committee:

- 1) Comment on FAO's work in reference to scientific support to Codex in the standard setting process;
- 2) Provide guidance on future work of FAO in relation to:
 - FAO/WHO jointly developing guidelines for the implementation of the Codex Codes of practice with respect to bivalve molluscs, requested by 13 countries representing the major markets for bivalve molluscs;
 - Technical assistance to member countries to implement standards, guidelines and good practices in aquaculture, traceability and fish handling and processing to improve market access; and
 - Dissemination of information related to standards, guidelines, certification and harmonization of certification requirements.
- 3) Recommend future areas of work, with particular attention to small-scale fisheries and aquaculture.

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INTRODUCTION

1. During its thirteenth session, the Sub-Committee on Fish Trade¹ (COFI:FT) reviewed developments and issues in international fish market access, particularly those relevant to fish and seafood safety, quality, traceability, certification, trade standards and market access. COFI:FT expressed support for FAO's work in providing scientific support for Codex standard setting activities and for its technical assistance to developing countries in capacity building to implement the Codex Codes of practice and standards. Further, COFI:FT emphasized that FAO should provide technical assistance to small-scale fisheries and aquaculture in developing countries to improve market access. COFI:FT requested that FAO ensures the dissemination of scientific information on food safety issues associated with fish and fishery products and Codex Guidelines to enable consumers to make informed decisions.
2. The thirtieth session of the Committee on Fisheries (COFI)² endorsed the COFI:FT recommendations and underlined the importance of FAO's capacity building activities on market access and value addition, in particular for small-scale producers and processors in developing countries.
3. The objectives of this paper are to: i) report on recent developments in market access requirements related to consumer protection, labelling and certification; ii) describe FAO activities in this field; and iii) seek the guidance of the Sub-Committee on how to strengthen FAO's work in this area. This agenda item addresses market access issues primarily related to food safety and animal health, while two other agenda items will discuss eco-labels and traceability related to combating illegal, unreported and unregulated (IUU) fishing.

RECENT DEVELOPMENTS IN FISH SAFETY AND QUALITY

4. Fish safety and quality remain the focus of regulatory requirements in international fish trade. Though seafood is generally regarded as a safe food, during the last couple of years there have been a few food safety problems, including large market recalls, reinforcing the need to strengthen food safety management along the entire supply chain. There have been a few instances of import bans as a result of perceived risks (e.g. import bans for shrimp from countries affected by early mortality syndrome (EMS)) that are not based on scientific or epidemiological evidence. The causative agent of EMS has been identified as a special strain of a bacterium that is commonly found in coastal and estuarine waters. This strain lacks the genetic potential required to cause human disease and, therefore, there are no food safety concerns associated with affected shrimp. In experimental studies, disease transmission has not been possible with frozen infected shrimp, therefore, the risk of disease transmission through imported commodity shrimp is extremely low. FAO has been working closely with EMS affected countries and academic institutions involved in identifying the causative agent. FAO has also issued a press release on this topic to disseminate information related to food safety and international trade³. More detailed guidance on issues related to trade in commodity shrimp as well as live shrimp has been published in a FAO Fisheries and Aquaculture Report⁴.
5. While the European Union (Member Organization) (hereafter referred to as EU), the United States of America and Japan continue to be major importers of seafood (together accounting for 64 percent of global seafood trade), the importance of China (6 percent) and the Russian Federation (2 percent) as importers is growing. Each of these major markets has their own regulatory requirements, and these are being constantly updated to respond to both scientific developments as well as market related issues. In addition to meeting these regulatory requirements, non-regulatory requirements related to issues such as sustainability and the environment are becoming increasingly important for

¹ See COFI:FT/XIV/2014/Inf.4.

² FAO. 2012. *Report of the thirtieth session of the Committee on Fisheries*. Rome, Italy.

³ <http://www.fao.org/news/story/en/item/175416/icode/>

⁴ FAO. 2013. *Report of the FAO/MARD Technical Workshop on Early Mortality Syndrome (EMS) or Acute Hepatopancreatic Necrosis Syndrome (AHPNS) of cultured shrimp (under TCP/VIE/3304)*. FAO Fisheries and Aquaculture Report 1053. FAO, Rome. <http://www.fao.org/docrep/018/i3422e/i3422e.pdf>

market access. Certification by the national competent authority is important in most major markets with respect to regulatory requirements and, in addition, evidence for having met non-regulatory requirements in the form of various private certifications are often required for export. Developing countries, which supply over half of global fish exports, are facing a challenge in meeting the varying regulatory and non-regulatory market access requirements in different importing countries.

6. Codex standards, guidelines and the codes of practice provide the internationally agreed framework for regulatory requirements related to food safety and quality. The Codex Alimentarius Commission celebrated its 50th Anniversary during its 36th session in Rome (1–5 July 2013). The Codex Codes of practice and guidelines provide broad guidance at operational level at all stages of the supply chain. Codex also has a number of product standards, maximum limits for various food additives and chemicals and maximum residue limits (MRLs) for pesticides and residues of veterinary drugs. However, developing these internationally agreed documents takes time, and a study of the causes of rejections in international markets indicates that some of them are due to criteria for which Codex standards do not exist, for example, residues of veterinary drugs in aquaculture products. FAO is emphasizing the importance of the application of good aquaculture practices and the responsible use of approved veterinary medicines. In international fish trade, the number of rejections resulting from residues of banned antibiotics has declined considerably. MRLs for approved veterinary drugs are not harmonized in different importing countries because Codex MRLs exist for only one drug. The need for MRLs for other approved drugs has been recognized in the Codex system. The Codex Committee on Residues of Veterinary Drugs currently has an electronic working group that is compiling a database on countries' needs for MRLs, and this could help countries to prioritize the Codex work on MRLs for the approved drugs.

7. Bivalve molluscs are important commodities in international trade. Bivalve safety management requires special attention, and there are several examples of trade standard compliance failures and rejections in international markets. As a result of shortcomings in the sanitary controls of bivalve molluscs, several countries producing large volumes of bivalves are unable to access international markets. The Codex Code of practice for fish and fishery products has a section on live and raw bivalve molluscs, and this provides general guidance to countries on the implementation of sanitary and biotoxin controls at the national level. However, the participants of an international workshop held in 2012, involving 13 countries including major producers and importers of bivalve molluscs, brought to the attention of FAO/World Health Organization (WHO) that the Codex guidelines, while providing an important framework, do not provide sufficient detail for any country to start a new shellfish sanitation programme. This has led to major importing countries adopting their own sanitary programmes and then, when these programmes differ, exporting countries are obliged to implement two different monitoring programmes to satisfy the import requirements. Thus, workshop participants submitted a request, through the EU reference laboratory for monitoring bivalves, to FAO/WHO to setup an international expert working group to elaborate scientific and technical guidance based on the Codex Codes of practice. This request is being brought to the attention of the Codex Committee of Fish and Fishery products for their support. Furthermore, because this is an issue impacting bivalve trade, the support of this Sub-Committee is also sought for FAO/WHO to undertake this activity.

8. Harmonization of non-regulatory requirements by different markets would go a long way towards improving market access. Though many of these are business to business requirements, they involve costs that might affect small and medium scale producers and processors and also add costs to consumers in importing countries. Though food safety aspects are well covered in regulatory requirements, many importers demand private certifications related to food safety and quality, such as the standards of the British Retail Consortium (BRC), International Featured Standards (IFS), Safe Quality Food Institute (SQF), Food Safety System Certification (FSSC) 22000 and others. In some cases, the products may be placed onto the markets with logos accompanying such certifications. Recognizing equivalence of Sanitary and Phytosanitary (SPS) requirements would be in line with Article 4 of the WTO SPS agreement. The Global Food Safety Initiative (GFSI), through their benchmarking process, has recognized these schemes and, therefore, the schemes could be considered equivalent. However, this equivalence has not yet been recognized by many importers, and thus

processing establishments in developing countries are obliged to have multiple certificates. Fish processed in the same establishment will be certified to different private standards depending on the importing country requirement. Therefore, more effort is needed to ensure that the results of benchmarking provide benefits to the producers, processors and consumers who could benefit from cost reductions.

FAO ACTIVITIES

9. The FAO Fisheries and Aquaculture Department has continued its scientific and technical support to FAO's normative work by:

- Providing advice to the 32nd session of the Codex Committee on Fish and Fishery Products (CCFFP). The 32nd session made progress on several sections of the Code of practice for fish and fishery products and standards, including the final endorsement for some sections⁵;
- Providing advice to the 43rd session of the Codex Committee on Food Hygiene (CCFH), which endorsed the hygiene provisions of some of the draft standards related to fishery products⁶;
- Providing advice to the electronic working groups of other committees that deal with fisheries issues e.g. Codex Committee on Food Labelling (working on organic aquaculture), Codex Committee on Fats and Oils (working on fish oil), Codex Committee on Residues of Veterinary Drugs (sampling aquatic animals for testing for residues of veterinary drugs);
- Continuing work on the development of risk analysis tools for use by national governments based on FAO/WHO risk assessment for *Vibrio* spp. in seafoods and conducting regional training on the methodology for detection and enumeration of *Vibrio* spp. in seafoods;
- Organizing an expert consultation on the public health risks of histamine and other biogenic amines from fish and fishery products and developing a web-based tool for development and analysis of sampling plans for histamine in fish;
- Publishing Fisheries and Aquaculture Technical Paper 574 "*Assessment and management of seafood safety and quality: Current practices and emerging issues*". This is the updated version of the previous FTP 444 that was widely used by fish inspection services in many developing countries; and
- Publishing the report of the FAO/MARD Technical Workshop on early mortality syndrome (EMS) or acute hepatopancreatic necrosis syndrome (AHPNS) of cultured shrimp. This publication has recommendations related to food safety and international fish trade.

10. FAO continued its capacity building activities in developing countries in:

- Implementing Codex guidelines, Codes of practice and standards, assessment and management of national seafood safety and quality regimes to meet major market requirements and comply with SPS and technical barriers to trade (TBT) requirements, traceability and certification programmes;
- Implementing programmes to reduce post-harvest losses and value addition for different fisheries commodities, particularly those coming from small-scale fish farmers and fishers, to improve market access;
- Developing and disseminating a database on value-added products in international markets and the labelling requirements for these products;
- Supporting the design and evaluation of the FAO-Thiaroye fish processing oven to improve the quality of smoked fish and minimize the levels of polycyclic aromatic hydrocarbons. This processing oven is gaining popularity in many countries in Africa;
- Supporting the regional network of fish inspectors, such as the African Network for Fish Technology and Safety (ANFTS) and the Pan-American Network on fish technology, inspection and quality control;

⁵ http://www.codexalimentarius.org/download/report/784/REP13_FFPe.pdf

⁶ http://www.codexalimentarius.org/download/report/787/REP13_FHe.pdf

- Organizing training to disseminate market access requirements, lessons to be learnt from trade standard compliance failures in fisheries and aquaculture products and harmonization of certification requirements;
- Implementing regional training programmes that help member countries to handle SPS and TBT issues in the WTO;
- Jointly with UNIDO and the International Association of Fish Inspectors (IAFI), co-organizing the biannual World Seafood Congress that brings together regulators from major importing countries, fisheries and aquaculture certifying bodies, representatives of the fish processing industry and fish inspection and certification services from fish exporting countries; and
- Supporting the biannual International Conference on Molluscan Shellfish Safety (ICMSS). This Conference is a good forum for updating those involved in national fish inspection and certification agencies with scientific developments in the area of sanitary control and biotoxin management.

11. FAO is also working with private standard setting bodies, benchmarking agencies and importer associations to contribute to harmonization of the certification requirements.