

## Trade Promotion through Standardisation in the South and Southeast Asia (SESA) regions

### Background & Rationale

Today, many retailers and consumers in the global markets demand that products and services are produced and provided in accordance with prevailing international standards. Standards, therefore, function as a key for trade promotion and are having an increasing influence on the world market.

Developing standards at the international level rely heavily on the existence of national and regional standardisation processes. It is at those levels that the main substance of a standard is developed, taking into account a rich variation of needs and priorities from a broad range of stakeholders and experts at the local level.

However, developing countries are often disadvantaged by international standards as those are not adjusted to their conditions and needs, i.e. standards could become non-tariff barriers against their exports instead of facilitating them. Vital and sustainable local standardisation processes with a rich involvement from private and public sector is of key importance to build necessary technical capacity on the concepts and methodologies of different international standards.

It is against this background that the Swedish Standards Institute (SIS), with support from Sida, proposed an intervention for building the capacity of various stakeholders in developing countries with regards to standard development and standard implementation, both at the national, regional and global level. This proposal results in a two-year programme entitled “Trade Promotion through Standardisation in the South & Southeast Asia regions” (abbreviated as ‘the SESA programme’) during 2013-2014 with an inception phase starting

from July 2012. The programme is being implemented in collaboration with partner institutions in eight Asian economies: four South Asian including Bangladesh, Nepal, Pakistan and Sri Lanka; and four Southeast Asian including Cambodia, Indonesia, Lao PDR and Vietnam.

CUTS Hanoi Resource Centre is participating in this programme in the capacity of a collaborative partner for Southeast Asia, being responsible for linking the main themes of the SESA programme, which are standards and standardisation, to the broader policy levels of trade promotion, consumer protection, regional integration and sustainable development – which are CUTS’s core competencies.

### Objectives and Expected Outcomes

The overall objective of the programme is to contribute to economic development in the SESA region through increased access to markets by local and regional producers. Another overall goal is to contribute to a sustainable development by developing the capacity in standardisation both on a national and international level. A third overall goal is to increase the understanding of how to use ISO<sup>1</sup> standards for private and public stakeholders, companies, organisations, institutions, universities and government agencies. The programme intends to contribute towards the objectives through strengthened standardisation capacity in the SESA region with focus on environmentally friendly standardisation processes. More specifically, the programme aim to build national and regional knowledge both to participate in ISO standard setting processes and to implement standards.

1 ISO – International Standards Organisation



The programme includes two components; one component will be focusing on standard setting where emphasis will be on building internal capacity among the National Standards Bodies (NSBs) in the region as well as among private and public stakeholders<sup>2</sup> involved in the programme, in regards to ISO processes. The aim is to get a standardisation process that includes representatives from both the NSBs as well as stakeholders and experts from the private and public sectors. It is crucial to have a rich variety of stakeholders actively involved in the standard process in order to be able to develop the standard and in international occasions – defend and argue for their needs and views. When building capacity in standard setting, the new ISO Standard on Sustainability criteria for bio-energy (ISO 13065) will be used as a case study in order to make the process more explicit and understandable.

The other component of the programme aims to take an ISO standard from an abstract level to a more practical level, with implementing it on real products in the region. In implementing the ISO standard, it is crucial to have a variety of stakeholders represented from the eight SESA countries. Stakeholders from both the public and private sectors are essential in order to build sustainable capacity in the regions. As the ISO standard will be implemented on products with a highly possibility to access the export- and global markets, participation by private companies are of key value. The ISO Technical Specifications on Carbon foot printing of products (ISO/TS 14067) will be used as a case study where this specific ISO standard will be implemented in specific and selected products in the SESA regions.

## Methodology and Activities

A multitude of activities are (to be) undertaken within the framework of the programme, falling into two main categories:

- Regional activities: which include regional training workshops on specific contents and skills related to standards development and standard implementation; ISO pre-seminars to support national delegations of the SESA

countries for more effective participation at subsequent ISO meetings (for the development of the new ISO Standard on Sustainability criteria for bio-energy); and support for the actual participation of these national delegations at these ISO meetings.

- National activities: which are identified by the national stakeholders within each SESA countries, led by the National Standard Body (NSB) in accordance with the goal, objectives and expected outcomes of the Programme. National activities vary across SESA countries and are multi-modal, ranging from events such as training workshops, awareness raising seminars, to specific research and advocacy activities. One important part of national activities is the implementation of the ISO/TS 14067 on Carbon foot printing of products (CFP), for which purpose each SESA country would select one specific industry. For example, during the first year, four countries have volunteered for the implementation, including the rubber industry in Vietnam and Sri Lanka, rice in Cambodia, and tea in Nepal.

For building capacity on standard-setting, a key element of the methodology is to establish conditions for, as broad as possible, stakeholder participation from various sectors in the region. SIS, in cooperation with the host (NSBs from the regions and/or the collaborative partners), will define tasks requested to be prepared by the programme participants so that they are well-prepared for the regional training workshops, pre-seminars and ISO meetings. Appointed experts that have been participating in the regional workshops and the pre-seminar sessions are also invited to attend the subsequent ISO meetings to represent their countries to negotiate and reach consensus on the content of the standard at the international level.

The implementation process of ISO/TS 14067 on Carbon Footprint of products has already been kick started during the inception phase, thus is continuously adjusted during the implementation phase. Each step will require different capacity

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<sup>2</sup> Stakeholders are defined to include federations, associations, policy institutions, chamber of commerce, and NGOs.

among the participating stakeholder organisations depending on goals and scope of the carbon footprint implementation. Training sessions are, therefore, designed before the start of each step to match the needs of capacity.

### **CUTS HRC's Role**

CUTS HRC has, in the role as partner in the SESA programme, the responsibility to support the development of the SESA programme and to work towards a programme that is sustainable on both a national and regional level. This responsibility includes all possible activities that are crucial in order to develop the programme and work towards the set goals of the programme.

For the first year of programme implementation, i.e. 2013, CUTS HRC has proposed the following activities under its mandate:

- (1) Promotion of discussions and dialogues on standards and standardization in the Southeast Asia region: This is undertaken through various networking and advocacy activities targeted at specific regional

structures, such as the Association of Southeast Asian Nations (ASEAN Consultative Committee on Standards and Quality, ASEAN Committee on Consumer Protection, etc.), the Greater Mekong Sub-region (the GMS Business Forum, the Mekong Institute), etc.

- (2) Publication of specific reader-friendly documents (discussion paper, briefing paper, etc.) on relevant issues, including a quarterly insert on Standards and Quality for awareness raising, advocacy and information dissemination

Besides, CUTS HRC is also participating in all the regional activities of the programme and national activities for Vietnam, since the premise is in Hanoi.

Activities for the second year of project implementation, i.e. 2014 will be detailed out at the end of the current year.