

**Remarks by Skip Jones, Deputy Assistant Secretary, Trade Agreements and Compliance at the APEC Partnership Training Institute Network (PTIN) Industry Briefing, Jan 27, 2011**

Good Morning,

**Overview**

I'd like to thank everyone for coming and welcome all of you to this morning's briefing on food safety activities for the 2011 U.S. hosted APEC year.

My name is Skip Jones and I am the Deputy Assistant Secretary for Trade Agreements and Compliance at the Department of Commerce.

It is fitting that we hold this briefing in January as the United States APEC year 2011 is still new. The United States has an ambitious agenda of activities planned for 2011 which have been years in the making. And I am sure you will agree that food safety is an issue that speaks to each one of us in a very personal way. It is also an important trade issue, given that the United States relies on a global marketplace to provide us with an abundance of food choices for our tables.

In the time that I have, I'd like to share my observations on how APEC is contributing to this important goal of food safety through building capacity in the region. This ground-breaking work under way in APEC builds public-private partnerships, supports U.S. goals for APEC in 2011, contributes to boosting exports as part of President Obama's National Export Initiative (the NEI,) and furthers the President's regulatory approach. These are ambitious goals, yes, but achievable one towards which we are advancing steadily and achieving results.

Food trade is increasing globally due to improvements in transportation and marketing networks, and increases in per capita income levels and populations. In the APEC region, countries like Thailand, Indonesia and Malaysia supply much of the world's seafood, while Mexico, Chile and Peru are major exporters of fruits and vegetables. Over 60% of U.S. food imports come from the twenty-one APEC Economies and the United States exports more than \$35 billion in food products (over 60% of our food exports) to these Economies as well. Food is a dynamic component of the global trading system.

Disruptions to food trade due to food safety outbreaks have substantial public health implications as well as potent market impact. High profile incidents in recent years have put a spotlight on food safety as a trade and public health issue. The recently passed U.S. food safety legislation encourages preventative measures to control outbreaks and augments agencies' powers to monitor food imports.

The legislation also recognizes the importance of capacity building to address the risks of food hazards that can arise in the global supply chain. In this context, then, the APEC capacity building activities we're discussing this morning are closely aligned with the objectives embodied in the new U.S. legislation. They aim to reduce food safety risks through fostering a better understanding and application of risk analysis principles, preventive measures that minimize hazards in the supply chain, and promotion of good laboratory practices.

Within the context of global food supply chains, partnerships among food safety experts, practitioners and regulators have been fundamental to the success of efforts to build food safety capacity to date. The U.S.-led Partnership Training Institute Network encourages cooperation by industry, regulators and academia to meet the twin challenge of better assuring the safety of the food supply in the APEC region while facilitating the international trade in foodstuffs that has enriched each of our economies. This is accomplished through a focus on strengthening the supply chain, building laboratory capacity, reducing use of export certificates except where essential for food safety, and risk analysis and risk management. The partners have shared their technical expertise, provided speakers for workshops, offered the use of facilities, released training materials, and much more. Each partner brings to the effort resources to strengthen standards and conformance infrastructure of food safety in the APEC region so that food outbreaks will be reduced, populations will have safe food to consume, and products can move freely among markets.

### **How PTIN Work supports U.S. APEC goals for 2011**

A key theme for the U.S. APEC year is regulatory convergence, and the food safety work in APEC is one of the most successful examples of what can be accomplished through such cooperative efforts. Cooperation is aimed at improving the design and coherence of food safety systems in the region to produce more effective, efficient and consistent regulatory outcomes that facilitate trade in safe food and build consumer confidence regarding the availability of safe and nutritious food. The strengthening of food safety also contributes to greater food security.

On January 18, President Obama issued a new Executive Order on improving regulation and regulatory review that emphasizes regulating where necessary and compatible with economic growth. The Executive Order noted the importance of science-driven regulation, cost justified and coordinated and simplified regulation. The cooperative food work in APEC is entirely consistent with these themes.

The APEC Food Safety Cooperation Forum has created a venue where regulators can meet and discuss major food concerns, exchange ideas and gain a better understanding of their approaches to regulation. It also affords the developing economies a way to present their specific capacity building needs.

The United States is a strong advocate for the use of sound science and use of risk assessment principles in regulatory decision-making. While a great wealth of resources do exist on the topic of risk analysis for food, there is not always a common understanding among regulators in APEC economies on the most appropriate and effective methods to use in risk analysis and how best to test for conformity with standards and safety regulations. It is also important to make food safety tools available to stakeholders in the food supply chain, acknowledging that they have varying levels of expertise. Therefore, efforts are under way to develop reproducible, widely accessible food safety training curricula contribute to capacity building in this area. (More on this later from our other speakers.)

## **NEI**

If the United States is to achieve the President's goal of doubling U.S. exports by 2014, creating conditions favorable to the expansion of food exports will have to be an important part of the effort. As noted above, food trade in the APEC region is very important to the U.S. economy. Many U.S. companies source products from the Asia Pacific that end up in food products sold in the United States. Conversely, many U.S. companies see growth opportunities for U.S. food products in the fast-growing markets of the region.

The capacity building work in the PTIN encourages the use of Codex Alimentarius standards. Codex Standards have become the de facto international standards for food moving in international commerce and, to a great extent, a benchmark for national food safety legislation. Compliance with the Codex standards and

guidelines provides an assurance of the safety of food products that are being traded through complex global supply chains, and use of best practices that can improve the safety of traded food products and assure compliance with trade obligations. Better coordination and cooperation also leads to fewer trade disputes.

An example of this was a workshop held in February 2010 that focused on Codex Guidelines for Export Certificates, highlighting the economic benefits to be derived from limiting the use of such certificates only to ensure food safety or fair trade practices.

## **Conclusion**

Clearly there can be both public health and trade benefits if regulators, industry and academia work together to improve the technical underpinnings of food trade. It is for these reasons that the United States strongly supports the APEC work in facilitating food safety and trade.

## **Acknowledgements**

I'd like to thank all of you for joining us this morning. There has been a great deal of interest in and enthusiasm from the U.S. food sector for the ongoing food safety work in APEC, but for those of you who are learning about these efforts for the first time, I encourage you to join as well. The information sheet you received as you arrived contains additional background and contact information.

Representation today is indicative of the cross-cutting nature of the work and the successful partnerships that have been forged. We have engagement by industry and educational institutions as well as international organizations like the World Bank and the U.N. Food and Agriculture Organization, and representatives from some of the APEC Economies. I note also that the U.S. Government food safety team is exceptionally strong, drawing senior level participation and expertise from the regulatory agencies (FDA, USDA, EPA), the trade agencies (USTR and Commerce) along with the State Department. Thanks to many of you for coming out today in spite of the snow.

Commerce has supported U.S. participation in APEC food safety capacity building work since the first Food Safety Cooperation Forum meeting in Hunter Valley

Australia in 2007. We are also pleased to administer the PTIN, providing the staff support to keep this work moving forward.

Now, I am pleased to turn over the podium to Julia Doherty who will give you some background on the PTIN food safety capacity building initiative. Ms. Doherty is the incoming chair of the APEC Subcommittee on Standards and Conformance. She leads the standards work in APEC from the Office of the United States Trade Representative where she serves as Senior Director for Non-Tariff Measures.