



AID-FOR-TRADE: CASE STORY

FIJI



CASE STORY ON FIJI'S COMPETENT AUTHORITY





GOVERNMENT OF FIJI

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EXECUTIVE SUMMARY

The paper provides a case story on the establishment of a Competent Authority (CA) in Fiji with the funding assistance of €137,000 from the European Union in collaboration with the ACP Secretariat as the implementing agency. The project is categorized as the *Building Productive Capacity under the Aid for Trade (Aft) Initiative* which is a EU funded Technical Assistance program designed to assist in the Sanitary and Phytosanitary (SPS) compliance of fishery products (FP) entering the EU market from Fiji.

In light of the Aid for Trade initiative, this paper outlines the objectives achieved and challenges encountered, as well as the results achieved and lessons learned from the establishment of the Competent Authority for Fiji. It can be qualified as one of the success stories in the Pacific region. The Report is a brief account of the growth and development of the CA that was facilitated and supported through the funding and technical assistance provided by the SFP/OCT/ACT Project Management Unit.

Fiji was de-listed from exporting fish and fishery products to the EU in 2008 as the result of the 2007 Food and Veterinary Office (FVO) visit which found “deficiencies” in Fiji’s food safety inspection and control systems. This led to the imposition of a ban on all fishery exports from Fiji which at the time was progressively increasing its market share in countries such as the UK. As a result, the Fiji government proceeded to establishing a Food Unit within the Ministry of Health which has been mandated by Cabinet to assume the responsibilities as the Competent Authority for FP in Fiji.

Tasked to getting Fiji back to the EU list of approved importers, the Competent Authority was committed towards utilising all the assistance that it could garner from development partners. With the SFP/OCT/ACP funding, the Competent Authority inspectors received practical hands-on training in auditing the fish supply chain and actively participated in the development and pilot testing of inspection checklists and reporting protocols. The Competent Authority was instrumental in updating the National Control Plan to meet current requirements and participated in the compilation of a Manual of Inspection and Control Procedures which provides the framework of an inspection system that is currently being administered by the CA. Other aspects of the assistance include the development of an electronic database, the provision of equipment and technical assistance to the Institute of Applied Science laboratory and to the fishing industry.

The FVO visited Fiji in September 2010 for another inspection. The objectives of the mission were to:

- evaluate whether the official controls put in place by the Competent Authority (CA) can guarantee that the conditions of production of Fishery Products (FP) in Fiji destined for export to the European Union (EU) are in line with the requirements laid down in the EU legislation, in

particular with the health attestations contained in the certificate of Appendix IV to Annex VI of Commission Regulation (EC) No 2074/2005;

- verify the extent to which the guarantees and the corrective actions submitted to the Commission services in response to the recommendations of the previous FVO mission report of 2009 (ref. DG (SANCO)/2009-8199) have been implemented and enforced by the CA.

At the end of the Mission, the team came up with the following conclusion and recommendations:

1. All the recommendations of the previous FVO report have been satisfactorily addressed. However the method used to analyse the levels of histamine in the FP is not the referenced method indicated in Commission Regulation (EC) No 2073/2005;
2. The Fijian authorities are in a position to sign the public health requirements laid down in Part II.1 of the model health certificate for imports of fishery products intended for human consumption described in Appendix IV to Annex VI of Commission Regulation (EC) No 2074/2005 as last amended.

The Fiji government through its Competent Authority is now awaiting the final official protocol to be gazetted by the EU Parliament.

1.0 ISSUES ADDRESSED

Following an inspection by the European Union's (EU) Food and Veterinary Office (FVO) in 2007 which found gaps in Fiji's food safety inspection and control system and standards being employed by Fish Business Operations (FBOs) in Fiji. The EU deemed these gaps as significant enough to regulate Fiji's status as a fish exporter into the EU, a decision officially gazetted in the Official Journal of the EU on May 21 2008. Prior to the delisting, Fiji exported approximately 675 tonnes of tuna, worth about F\$10 million per year to the EU market. Whilst this only amounted to about 2% of Fiji's total annual processed tuna production, the EU and Fiji nevertheless regarded this as an important and growing market for Fiji's fish products. Since the EU 'delisting', the industry has continued to export fish products, principally fresh and frozen tuna to its Japan, US, Australia, China and New Zealand markets.

The Fiji Government's response to the delisting was to establish a Food Unit within the Ministry of Health with the responsibility for the inspection, quality assurance and control of fishery exports to the EU. The role of the Food Unit, as a compliance agency for the EU and other importing countries food safety requirements, is to facilitate fish export inspection, certification of fish and fish products and verification of standards and procedures to ensure compliance and equivalence with those operated within the EU.

The CA establishment currently consists of a Head of Unit plus six inspectors. Office space, secretarial support and transport are shared with other departments within the Central Board of Health [CBH]. The inspectors have a health promotion background and were originally based in the districts before being seconded to the Food Unit in the capital city of Suva. In December 2008, the inspectors were formally transferred to the Food Unit which, in addition to fish products, are also responsible for the inspection and control of all food products in Fiji. The Head of Food Unit and Chief Health Inspector report to the Permanent Secretary (PS) for Health on food safety matters and the PS, in turn, reports to the Minister for Health, Women and Social Affairs.

Prior to the FVO inspection in 2007, the export FP industry apparently operated in the absence of any of the controls normally expected of third countries exporting FP to the EU. The industry stakeholders were unaware of EU food safety requirements and inspection and control at best was conducted in an *ad-hoc* manner. The highly critical FVO inspection report and subsequent ban came as a great shock to both industry and government stakeholders and resulted in considerable self recrimination and assessment. The industry understandably blamed the CA and the Fiji Government for the ban. There was also confusion over where the CA should be located, that is in the Ministry of Primary Industries or the Ministry of Health.

As a result of the delisting, it was estimated that Fiji lost approximately US\$18 - \$25 million per year during the delisted period. This amount is anticipated to have increased in the subsequent years and has been estimated to reach US\$45 - \$50 million, which is significant for a small economy like Fiji. The delisting did not only have economic implications on Fiji but also negative social impacts on the communities associated with this sector attributed to the loss of employment and economic activity, including the opportunity cost of foregone potential investments. Furthermore, it has also affected customer confidence on Fiji as a source market, forced companies to look for other markets opportunities and taken away the sole source of income and livelihood for some of their workers. More so, it has had wide social implications on households, with family members and children reliant on income from the export of FP to the EU.

With only six members in the Ministry of Health's Food Unit, the staff was driven by national sense of commitment and duty, determination and pride for the country in their efforts to undertake a mammoth. The dedication and commitment that was displayed by the staff who were constrained by limitations on human, technical and financial resources is testament to the ideology of the realization of expected outputs and outcomes when recipient countries take ownership of the direction and success of their national programmes, with the necessary guidance and support of their donor partners.

2.0 OBJECTIVES PURSUED

The primary objective was to get Fiji back on the list of approved exporters of FP to the EU. To achieve this objective, the Competent Authority shall have the following competencies:

- Management of all conditions relating to the inspection and control of exports of seafood to the EU
- Required official guarantees will be the specific responsibilities of the *Head of Food Unit (Food Quality Control) and the AOs*, which would be based on the conditions determined in this document
- As the legal authority for the enforcement of the National Control Plan, Food Safety Act and The Food Safety Regulation
- As contact point for the relevant authorities of importing countries, to facilitate effective communication for the control of seafood safety and improved trade. including:
 - Notification of such authorities of premises/facilities approved for export
 - Provision of official response to incidents, audit findings etc.
 - Responsible for the planning and implementation of measures (drafting, submission & follow up) to harmonise Fiji standards with those of the export markets
 - Responsible for the verification of Inspection Units activities and record keeping to ensure effective control across the country
 - Responsible for implementation of information services to disseminate information to exporters on standards, technical regulations and certification requirements in target markets
 - Assume an advisory role in the local markets and retailers with respect to fish quality and safety standards and hygiene requirements.
 - Responsible for other duties and functions related to its overall objectives.

The responsibilities of the Food Unit within the ***Ministry of Health*** are to:

- Carry out regulatory verification of establishments, transport, ice plants, landing sites and fishing vessels (local and foreign)
- Manage the process of registration, approval and listing of establishments (including vessels, landing sites and cold stores) authorised to export to the EU
- Manage the listing status of establishments (including vessels, landing sites and cold stores based on compliance
- Produce and sign the required Health Certificates
- Maintain the central records and database
- Provide initial and regular follow up training for inspectors and authorised officers

3.0 DESIGN AND IMPLEMENTATION

External support and assistance were needed in order to facilitate Fiji's chances of achieving its objective. In doing so Project S066FJI from the SFP/OCT/ACP funding came on board in June 2008 to providing technical assistance to the Competent Authority and the industry alike.

Since June 2008 to 2010, technical assistance provided to Fiji included:

- Development of National Control Plan, Monitoring Plan, Manual of checklists
- Training on theoretical and implementation of HACCP
- Good Hygiene Practices
- Auditing
- Sampling
- Internal audit and document control
- Understanding EU legislations
- Laboratory accreditation

The program was designed to cater for the needs of the industry and the Competent Authority. This was not a one-size-fits-all concept. However, the focus was on job training and other capacity building programs to supplement the theoretical components.

Working in partnership with the industry was a vital ingredient. HACCP and GHP training was conducted jointly for the Food Business Operators and the Competent Authority which promoted consistency in understanding between the two parties.

The other facet of the training was the involvement of the Competent Authority officers from the initial phase. They were involved in developing, pilot testing and implementing the tools for their work. For example, all their checklists were developed as the product of their practical exercise. Team involvement gave them a sense of ownership which is attributed to the level of commitment showed by the team throughout the project.

The principle of inclusiveness and cooperation was appreciated by the Competent Authority during the program. Everyone was involved including relevant stakeholders like the World Health Organization, DEVFISH, Institute of Applied Science, Fishing industry, other government departments and the Office of the Delegation of the European Commission in Suva. Regular monthly meetings were held to brief all interested stakeholders on the progress.

On the process of recruiting consultants, the CA was intrinsically involved in developing the Terms of Reference and in some cases its preference on the consultants to be recruited. The farm-to-fork concept was adopted to ensure that the overall production chain is improved and under its effective control.

All segments of the chain were involved. However, two of the important stakeholders that attributed towards the success of the Competent Authority were the Institute of Applied Science and the fishing industry. Efforts were focused on addressing the issues relating to non compliance identified in the 2007 and 2009 FVO inspection reports.

Institute of Applied Science

The Institute of Applied Science (IAS) is department in the University of the South Pacific is the only accredited laboratory in Fiji and which has been identified as part of the improvement strategy since 2008. For the last two years, IAS has been working on its microbiological accreditation which they have now finally attained.

For an analytical result to have official validation, it must be processed in a laboratory accredited to ISO/IEC 17025 for those parameters to be analyzed. The ISO standard specifies the general requirements for the laboratory's competency to carry out test and/or calibration; it covers managements and technical issues and the key objective is to assure the accuracy, credibility and quality of the results.

The accreditation provides the accredited laboratory with the necessary credibility to allow the CA to verify the results as officially authorised. These requirements apply equally to government and private laboratories. In fact, research has shown that private sector laboratories are increasingly becoming more used worldwide for regulatory purposes.

The technical assistance provided by the European Union to the Institute of Applied Science in preparing them for the accreditation audit was a success. The University Council had also provided some funding towards the accreditation audit.

Fishing Industry

The primary responsibility for ensuring product safety lies with the FBOs that process the fisheries products for export, and those who handle the processing or storage of the FP. The CA is responsible for verifying that appropriate control measures are implemented by the industry throughout the supply chain and that, where necessary, national control procedures are implemented to ensure product and public safety.

Since 2008, the CA and the fishing industry have been working together tirelessly in improving their operational synergies to achieve the objective of relistment into the EU's list of approved importers.

The joint training programs were conducted on HACCP, GHP, Organoleptic Assessment and the EU legislation which involve the industry and the CA personnel. Trainings were also conducted on the National Control Plan, Monitoring Plan and the Food safety Regulation (Local Legislation).

Other technical assistance provided by the SFP/OCT/ACP project include business planning, HACCP implementation, Auditing and Engineering and Design or Infrastructure.

4.0 PROBLEMS ENCOUNTERED

In any given success story, there are always some obstacles along the way. As the motivating factor, the team believed that the task could only be achieved through team work and mutual cooperation with all stakeholders. Team members worked with each other, human values and beliefs were appreciated and differences acknowledged. Communication was the cornerstone, blame culture was discouraged and team bonding was a continuous activity. In the goal to move forward to achieving our objectives, the Unit was faced with a lot of problems which the team chose to view as challenges:

1. **Lack of finance:** Finance is a key component of any development but for the Food Unit this resource was very scarce. The Competent Authority learned to live within its means and sought assistance from external and internal agencies for financial assistance.
2. **Lack of equipment including transport:** Having a Competent Authority without the necessary tools is like having a dog without teeth. In the beginning (June 2008 to early 2009) the Competent Authority function was greatly affected by the lack of transport. A healthy and vibrant working relationship with the stakeholders within government and also external partners culminated in the provisions of computers, sampling equipment, proper protective clothing, vehicles etc.
3. **Accessing accredited laboratory:** Fiji has only one accredited laboratory (IAS) and it is the only laboratory that is recognized under the EC Regulation to conduct tests for the Competent Authority. Therefore, it was a great challenge for Fiji to identify an accredited laboratory that could analyse the environmental contaminant samples and freshness indicators.

The Competent Authority relied on the contacts it has with some of its counterparts to resolve this setback. *Assure Quality* of New Zealand through a personal contact of the Head of the CA was willing to analyse the samples and provided invaluable assistance with flexible payment arrangements for their work.

5.0 FACTORS FOR SUCCESS

The project instilled a sense of unity among the members of the Unit. The Unit also provided team building exercises to motivate and strengthen the bonds amongst the staff. The staff members were motivated by the enthusiasm and determination to get Fiji fishery exports back into the EU market within a specified timeline.

With the work load and limited resources, the Competent Authority relied on good leadership skills to carry them through the challenging phases of the program. The Unit is headed by a Director with very strong and highly effective leadership attributes who led by example, and had the ability to motivate the staff towards a common goal and make tough decisions when the situations demand them.

Under the guidance and leadership of the Director of the Food Unit, the staff sacrificed long working hours and family time during weekends to meet stringent deadlines. In the year 2010 alone, the Food Unit staff spent approximately 27,000 hours out of the office, in their collaborative work and consultations with the fishing industry to improve the level of compliance which was equivalent to 360 working days per staff per year. This does not take into account additional follow-up visits for non-compliance monitoring and surveillance work.

Continuous in-house training was an essential aspect of keeping staff updated with the EU legislations, FSR 2009 and other relevant documents. In-house training also identified weaknesses of the CA staff in terms of skills and knowledge on specific areas of expertise and motivated them to improve their knowledge and skills in these areas.

In a relentless pursuit to lift the standards of compliance with the fishing industry, there were a lot of activities involved which involved intensive collaboration and cooperation with the fishing industry and other relevant stakeholders. This paved the way for a greatly improved and good working relationship which led to achieving the desired outputs and outcomes of the Unit. Investor confidence in the private sector was regained which led to one FBO¹ investing around F\$10 million on its establishment during a period when investment levels were generally low.

Overall, there is a general sense of deep gratitude to the European Union for stepping up as a responsible and committed development partner of third countries such as Fiji that have been negatively affected by the delisting as per the dictates of the EU Regulation designed to protect and safeguard their consumers' interests. The Government of the Republic of Fiji is grateful for the technical assistance provided under the Aid for Trade initiative that has assisted its Competent Authority to better equip the Unit in terms of finances, transport and consumables which have no doubt led to the success of this technical assistance program by the European Union.

¹ GOLDEN OCEAN FISH LIMITED

6.0 RESULTS ACHIEVED

The ultimate goal of the CA is to get Fiji back into the EU list of approved importers of FP. The measure of success came in many forms. However, the sweetest of all was the Report on the outcomes of the FVO visit to Fiji in September 2010.

In the Report,, the FVO team came up with the following conclusion and recommendations:

1. All the recommendations of the previous FVO report have been satisfactorily addressed; however, the analysis method used for histamine is not the reference method indicated in Commission Regulation (EC) No 2073/2005.
2. The Fijian authorities are in a position to sign the public health requirements laid down in Part II.1 of the model health certificate for imports of fishery products intended for human consumption described in Appendix IV to Annex VI of Commission Regulation (EC) No 2074/2005 as last amended.

7.0 LESSONS LEARNED

1. Working in Partnership - The Competent Authority would not have progressed and achieved a lot in a short period of time without the support and commitments from its partners.
2. Team Work - The Competent Authority staff learned to work as a team, appreciating each others contribution and commitment to the common goal.
3. Knowledge - With an increase in theoretical and practical knowledge, the Competent Authority also increased and improved its effectiveness and efficiency.
4. Leadership - Having one good Leader is more effective than many bosses. A good leader inspires and motivates, rewards initiative, leads by example and listens to and shares the experiences of each team member with a view to succeeding together as a group by achieving their common objectives.

8.0 CONCLUSION

The overall conclusion of the FVO report stated that “The Fijian authorities are in a position to sign the public health requirements laid down in Part II.1 of the model health certificate for imports of fishery products intended for human

consumption described in Appendix IV to Annex VI of Commission Regulation (EC) No 2074/2005 as last amended.”

In general, Fiji now has earned its place in the EU approved list of fish exporters and is awaiting the completion of formalities by the EU. Once the ratification of the recommendations by the EC Council is completed by the EU Parliament, the decision could be formalized.

The Competent Authority [CA] and the Government of Fiji would like to take this opportunity to express their gratitude to the European Union for the provision of technical assistance that has enabled Fiji to successfully establish its Competent Authority on fishery exports and is confident that the EU will complete the formalization of the procedures that will re-open the gateway of Fiji’s fishery exports to the EU through the relisting of Fiji in the near future and contribute positively to Fiji’s economy.
