



Swiss Confederation

Federal Department of Economic Affairs, Education and Research EAER

State Secretariat for Economic Affairs SECO



Global trade is growingly embedded within value chains and is increasingly governed by quality and standard requirements. Despite trade liberalization and globalization in recent years, many exporters still face substantial challenges to meet and prove conformity with market entry requirements, and face technical barriers to trade that hinder their ability to access markets. Lengthy procedures and border rejections due to non-compliance with market requirements can result in major financial losses for the producers, particularly for small and medium sized enterprises (SMEs). In order to gain and maintain access to international trade and benefit from global markets, standards compliance and proof of conformity are essential.

Like many other countries, Georgia faces similar challenges. While Georgia's economy is steadily growing, agriculture is one of the key sectors of the country's economy, bearing a great potential for export. However, Georgia faces challenges in proving compliance with market requirements, particularly those of the European market, which hinders it from engaging in cross-border trade. Although national laboratories are operational and well equipped, the technical staff lacks the knowledge and skills to perform internationally recognized conformity assessment. Therefore, the overall objective of this project is to strengthen the compliance capacity of Georgia with regard to quality and standards, thus facilitating market access for SMEs and ultimately increasing exports.



The project is part of the Global Quality and Standards Programme's (GQSP) innovative approach developed by UNIDO and Switzerland through the State Secretariat for Economic Affairs (SECO) to strengthen the quality and standards compliance capacity in selected value chains of partner countries to facilitate market access for small and mediumsized enterprises (SMEs).

## **RATIONAL**

Conformity assessment is fundamental to prove compliance with market requirements and thus one of the cornerstones of a well-functioning export oriented economy. The development of a sound laboratory infrastructure, which meets the needs of the producers, is a vital aspect of Georgian fresh fruits and vegetables Industry. Demonstrating capacity to conform to standards requires the establishment of efficient conformity assessment infrastructure to meet the requirements of the SPS, TBT and the Trade Facilitation agreements. Conformity assessment bodies do not operate in isolation and require an infrastructure, which includes relevant institutions and service providers

By aligning Georgia's quality infrastructure institutions and services to the needs of the national production and potential export of fruits and vegetables, market access for SMEs is faciliated and the country's export capacity are increased.

Enhanced
technical capacity
of laboratories to
prove compliance
with market
requirements

Market access for SMEs facilitated Exports increased



Lack of technical knowledge to perform required testing to prove compliance



## THE PROJECT

The overall objective of this project is to strengthen the compliance capacity of Georgia with regard to quality and standards, thus facilitating market access for SMEs and ultimately increasing exports.

The project will support Georgia to align the demand for and supply of quality services required to prove and verify the quality of products, through the following 3 lines of action:

COUNTERPART | Ministry of Environmental Protection and Agriculture (MEPA) of Georgia

IMPLEMENTING AGENCY | United Nations Industrial Development Organization (UNIDO)

DONOR | Switzerland, through the State Secretariat of Economic Affairs (SECO)

DURATION | 2 Years, starting July 2020

BUDGET | EUR 339,000

## VALUE CHAIN ASSESSMENT

**CAPACITY BUILDING** 

## LABORATORY INFRASTRUCTURE ROADMAP

Conduct an in-depth analysis of Georgia's fruits & vegetable value chain, particularly looking at qualityrelated challenges and identify related capacity building needs. Capacity building of CABs to ensure quality infrastructure services are capable of proving compliance with EU market requirements.

Define, in a broader context, the development needs of the laboratory infrastructure in Georgia, in view of meeting the needs of today and the future and serving the growing export base of the country.