

Implementation of the International Standard on
Phytosanitary Measures, ISPM 15
*(Regulation of wood packaging material in
international trade).*

An empirical analysis of how the regulation affects
the economy of a group of countries in Africa.

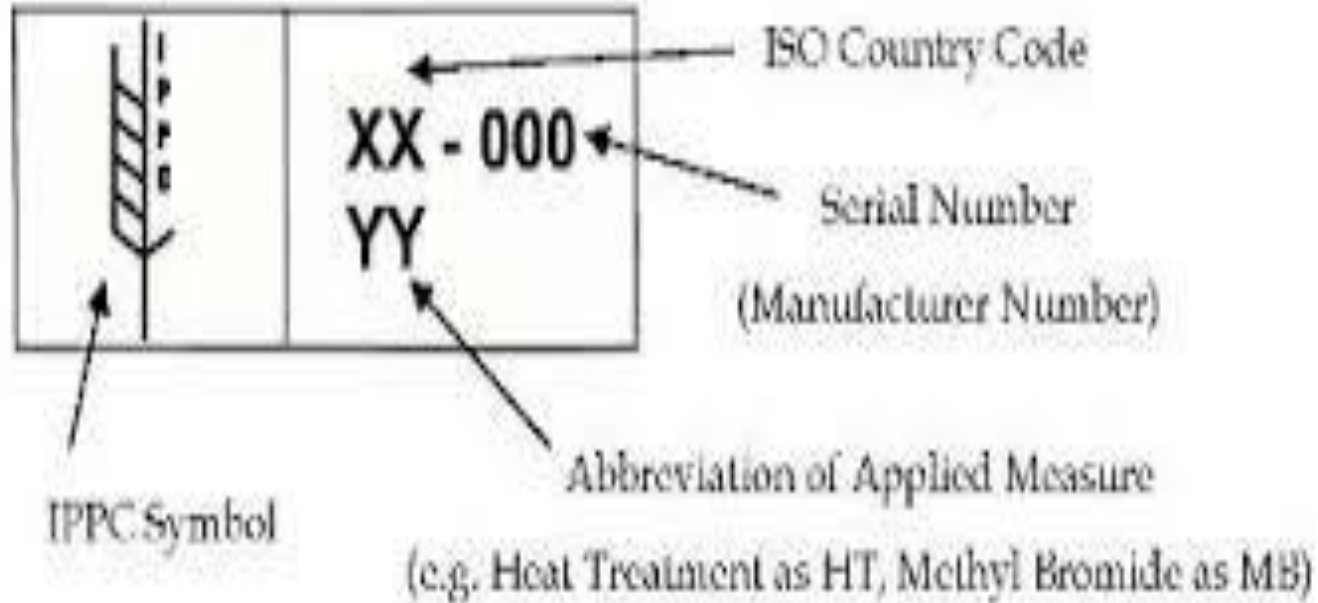
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ISPM 15

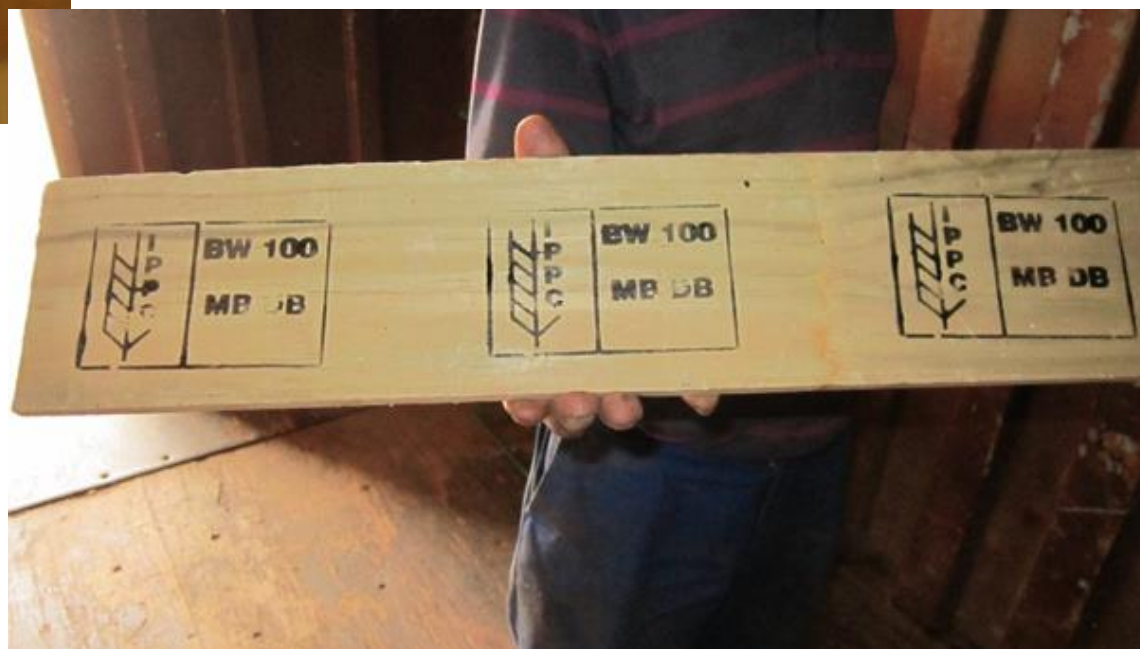
- International Standard For Phytosanitary Measures No. 15 has been developed by the International Plant Protection Convention (IPPC);
- It deals with the treatment of wood materials of a thickness greater than 6mm, used to ship products between countries;
- The standard aims at preventing the international spread of disease and insects;
- It involves the treatment of pallet materials, crates and dunnages;
- Treatments available are the heat treatment and the fumigation using with methyl bromide;
- The wooden materials are then stamped or branded, with a mark of compliance;
- Products exempt from the ISPM 15 are made from alternative materials, like paper, plastic or wood panel products (i.e. hardboard and plywood).



ISPM 15



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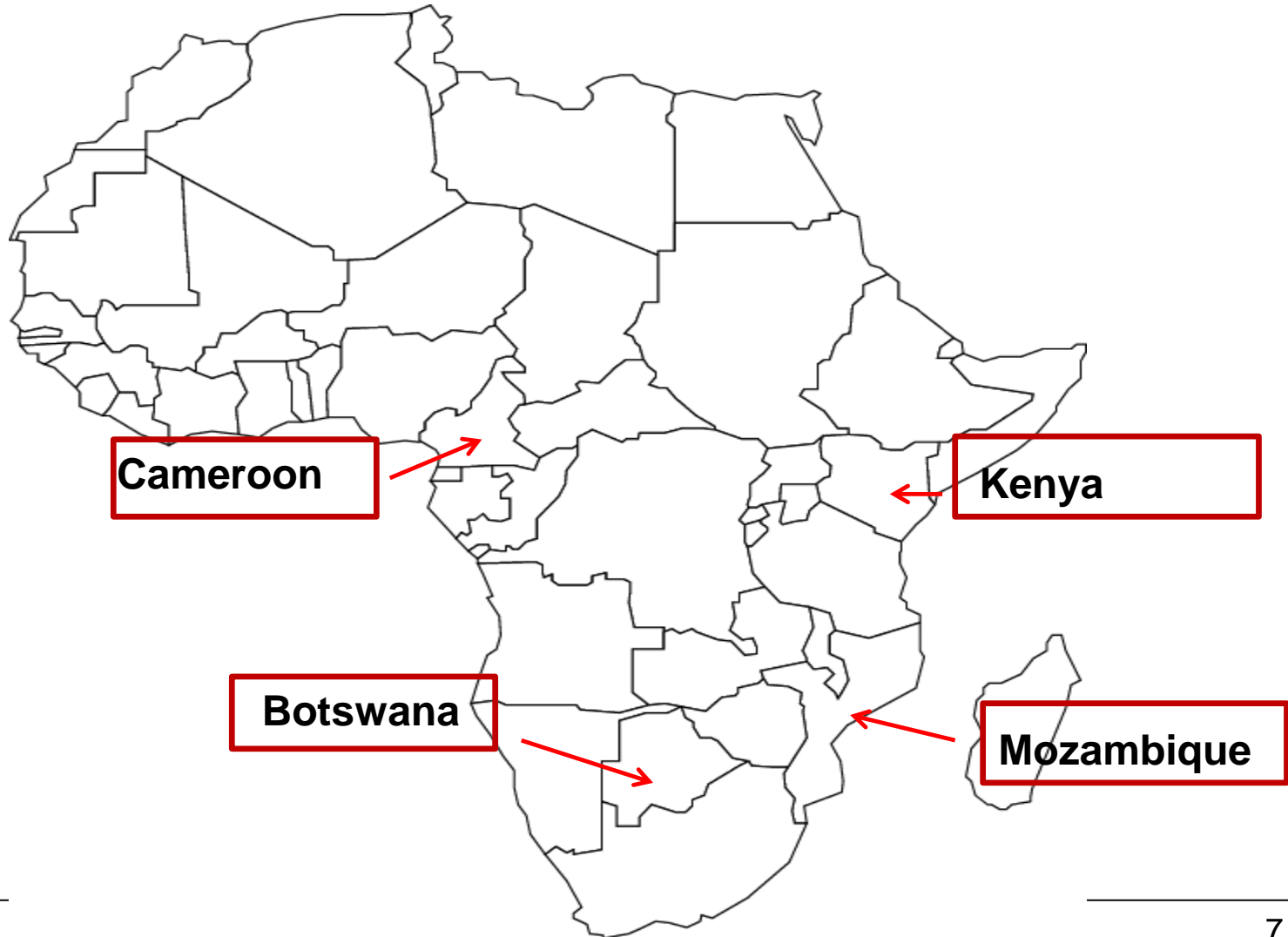
The project in a nutshell

- The ISMP15 creates **access** but also **barriers** to trade;
- Adoption is widespread –no reliable list (!), but estimated that there are 160 countries
- The **costs** of implementing the ISPM 15 have been estimated to represent a relatively large share of the total export values;

The project in a nutshell

- **Studies** of the economic impacts of phytosanitary measures are still in a relatively early stage;
- There is a relatively large literature investigating the economic effects of implementing ISPM15 in **developed countries**;
- The amount of studies focusing on **developing countries** are scarce;

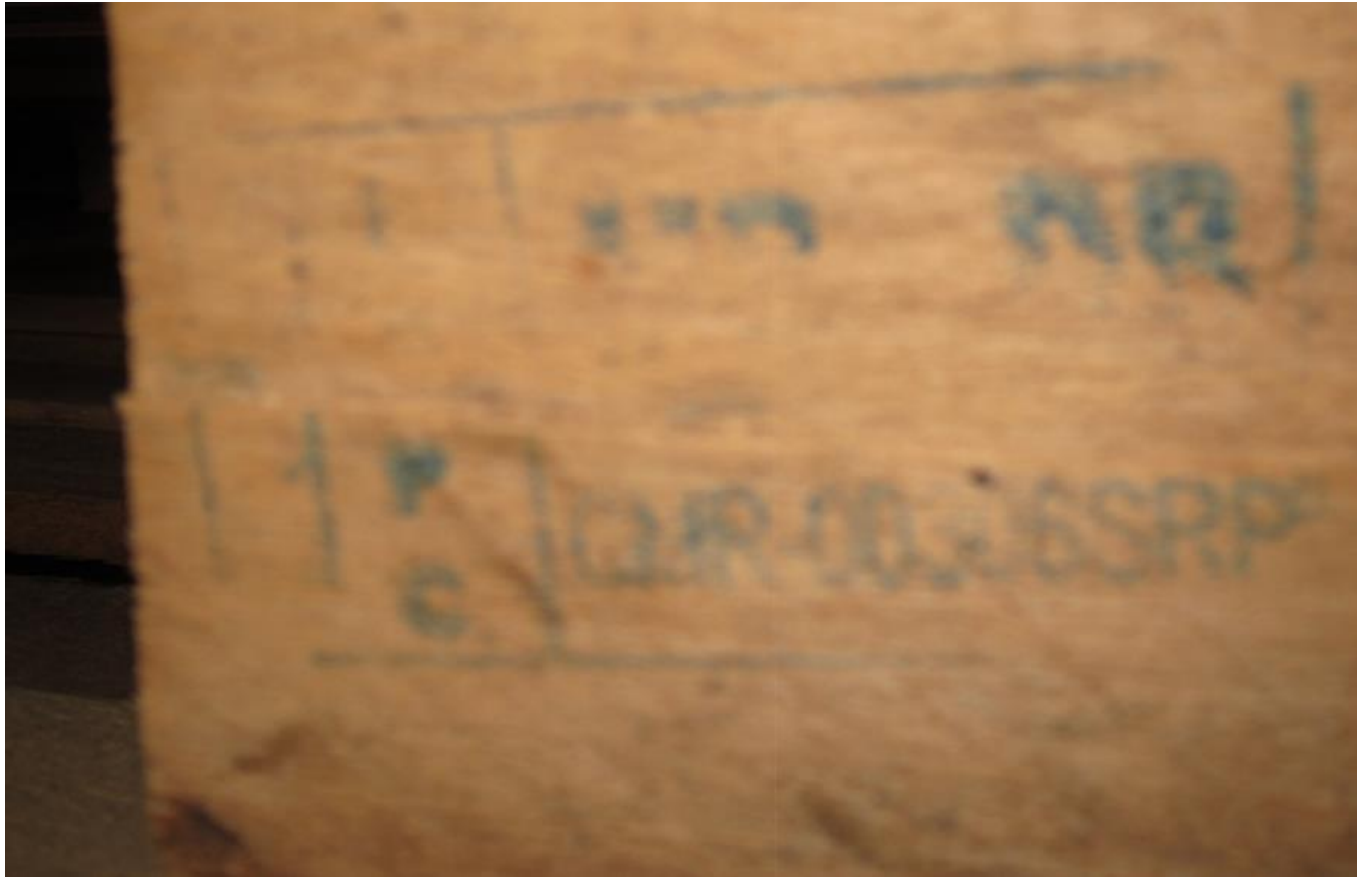
Countries involved in the project



Objectives of the project

- Study the effects that ISPM 15 has had on the value of **exports/imports** in the past 15 years;
- Review which **procedures/legislations/controls** each of the 4 countries have put in place to implement ISPM 15 and assess the challenges to implement the standard;
- Measure whether ISPM 15 has generated **losses/benefits** and how they have been **distributed** among the stakeholders.
- It is widely claimed that ISPM 15 can significantly impede exports of agricultural products from developing countries (UNCTAD, 1997; Singh, 1994; FAO, 1999; FAO, 1998; UNCTAD, 1998).

ISPM 15



ISPM 15



Data used

- **Macro data** on the trade flows between trading partners are available on the web (UN comtrade);
- **Micro data** will be gathered using surveys and stakeholders/organizations will be interviewed;
- **Qualitative information** will be collected using structured and non-structured interviews;

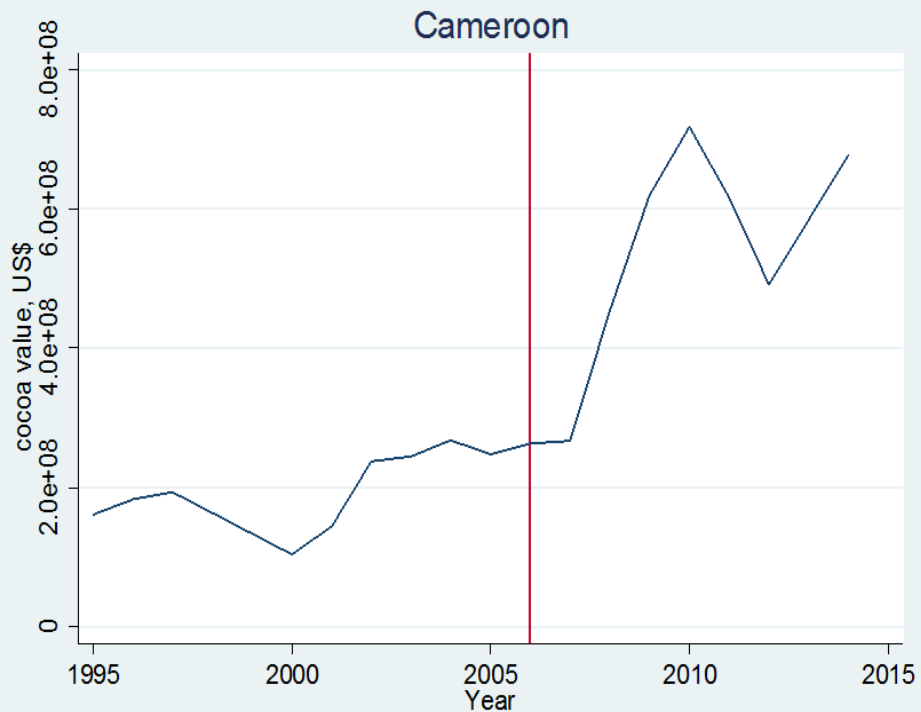
- **Gravity models**

- The gravity equation provides an appropriate framework for analysing ISPM 15 effect through bilateral trade flow.
- $\text{Ln}(V_{ij})_k = b_0 + b_1 \text{ln}(\text{pcGNP}_i) + b_2 \text{ln}(\text{pcGNP}_j) + b_3 \text{ln}(\text{DIST}_{ij}) + b_4 \text{ISPM15}_i + b_4 \text{ISPM15}_j + b_5 \text{col}_{ij} + \epsilon_{ij}$
- V_{ij} -- value of trade in product k from African country i to trading partner country j
- pcGNP_j -- real per capita GDP
- DIST_{ij} – geographical distance between country i and j
- Col_{ij} --- if a colonial tie between country i and j exists

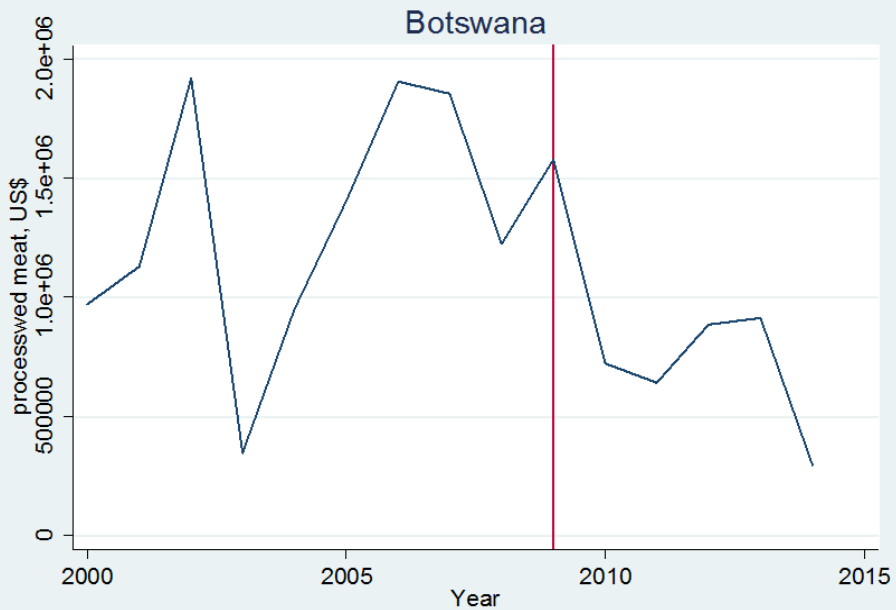
Kenya



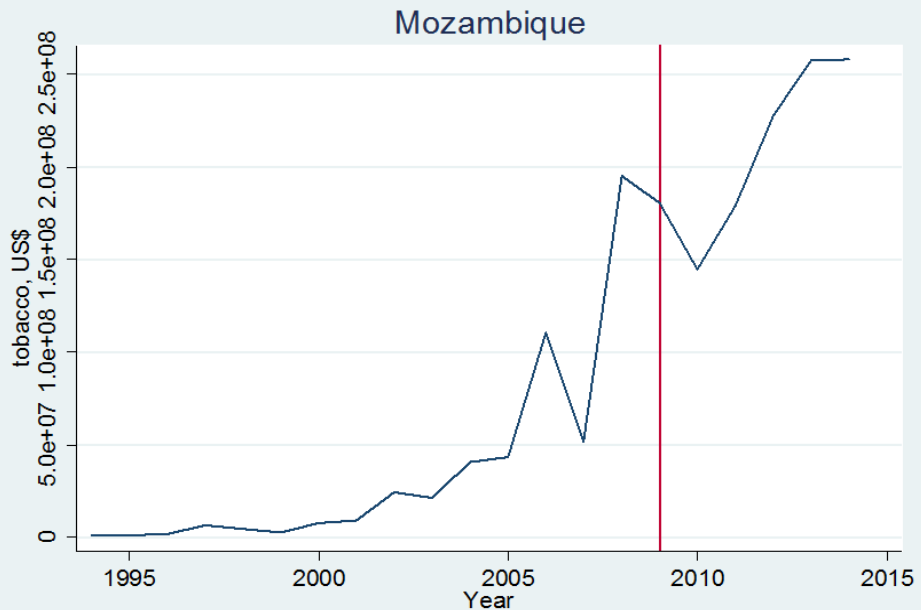
Cameroon



Botswana



Mozambique



The questionnaire directed to the wood treatment facilities will gather data on:

- the organizational aspect of the wood treatment facility;
- the treatment used;
- the training received;
- the costs related to the wood treatment;
- the benefits related to the wood treatment;
- other information needed to evaluate the standard.

Thank you