

STDF MEDIUM-TERM STRATEGY (2015-2019)

1. This document sets out the principles and strategic priorities that will guide the work of the Standards and Trade Development Facility (STDF) and the use of its resources until 2019. It describes the vision, goal, outcome and outputs of the STDF and serves as a general framework and roadmap for STDF partners, other members and beneficiaries. A logical framework is attached at the end of this document. The strategy should be read in close conjunction with STDF's monitoring and evaluation framework and its annual/bi-annual work plans and budgets.

2. This strategy builds on STDF's medium-term strategy for 2012-2016, the results of previous STDF work, as well as conclusions and recommendations of external evaluations of the Facility, notably in relation to further strengthening results based management.¹ The strategy has benefited from consultations across a wide spectrum of SPS stakeholders at different levels, which confirmed STDF's key role as a coordination and financing mechanism to enhance the effectiveness of SPS capacity building. This role includes, *inter alia*, activities to promote collaboration among STDF partners, donors, recipients and other relevant organizations, and further strengthen the Facility as a knowledge platform and reference point for the exchange of information and experiences and identification and dissemination of good practice. This strategy provides the framework to operationalize STDF's key role.

What is the STDF?

3. The STDF is a global partnership whose overall goal is to promote the increased capacity of developing countries to implement international sanitary and phytosanitary (SPS) standards, guidelines and recommendations and hence improve their ability to gain and maintain access to markets. In doing so, the partnership contributes to broader development goals of sustainable economic growth, poverty reduction and food security. Reduction of pest and disease burdens, and improved food safety, have a key role to play in raising agricultural production, reducing the prevalence of food-borne diseases, increasing food availability, and the protection of the environment. In this way, the STDF also helps to improve the human, animal and plant health situation in developing countries.

4. Specifically, the STDF acts as both a coordinating and a financing mechanism. It brings together the Food and Agriculture Organization of the United Nations (FAO), the World Organisation for Animal Health (OIE), the World Bank, the World Health Organization (WHO) and the World Trade Organization (WTO) (the founding partners), donors, selected developing country experts and other organizations involved in SPS capacity building.² The Secretariats of the Codex Alimentarius Commission and the International Plant Protection Convention (IPPC) also participate in the partnership, either in their own right or through the involvement of their parent organizations.³ The partnership at the heart of the STDF is its key added-value. By bringing together the SPS expertise and skills of its founding partners and other organizations, the STDF provides a unique forum to exchange information, encourage collaboration and synergies in SPS capacity building, enabling the stakeholders involved to achieve more effective and sustainable results together, than would be possible alone.

¹ External evaluations of the STDF were carried out in 2005, 2008 and 2013. The next evaluation is scheduled in 2018, i.e. within five years after the previous evaluation and one year before the end of this strategy (in accordance with the STDF Operational Rules).

² The STDF grew out of a joint communiqué issued by the Heads of the FAO, OIE, World Bank, WHO and WTO at the Doha Ministerial Conference in November 2001. In the communiqué, the five organizations agreed to jointly explore new technical and financial mechanisms for SPS coordination and resource mobilization and to build alliances between standard setting bodies and the implementing and financing agencies so as to ensure the most effective use of technical and financial resources.

³ The joint FAO/WHO Codex Alimentarius Commission (Codex), the International Plant Protection Convention (IPPC) and the World Organization for Animal Health (OIE) are the three standard-setting organizations designated as reference bodies in the SPS Agreement; the Codex for food safety, the IPPC for plant health, and the OIE for animal health and zoonoses.

5. As a financing mechanism, STDF provides grants for projects and to support project formulation based on appropriate assessment of the SPS-related capacity building needs. Applications are particularly encouraged from Least Developed Countries.

Enhancing effectiveness

6. The STDF specifically aims to enhance effectiveness in the design and implementation of SPS projects and initiatives.⁴ This includes promoting needs assessment and prioritization tools developed by international organizations, paying attention to national ownership and absorptive capacity in beneficiary countries, encouraging the creation of public-private partnerships, ensuring that activities are transparent, complementary, connected and sequenced, linking the development of skills to practice, and strengthening management capacity and managing for results. Where possible, the STDF will take a "value chain" approach, looking at genuine market opportunities and constraints, in order to target assistance to areas where it will have the greatest impact on trade performance.

7. In doing so, SPS constraints should not be considered in isolation from broader economic development needs. Non-compliance with SPS requirements is typically one of a number of competitiveness challenges faced by developing country exporters, alongside issues related to, *inter alia*, transportation, infrastructure, high freight rates and utility costs, banking and investment climate, compliance with other public or private standards, etc. Addressing SPS constraints should go hand-in hand with other measures to improve supply-side constraints in order for exports to be economically viable. In this context, the STDF will continue to pursue and deepen collaboration with broader Aid for Trade capacity building programmes, such as the Enhanced Integrated Framework (EIF).

8. Significant opportunities exist to better integrate SPS capacity building efforts with other areas of development cooperation, such as agricultural development, trade facilitation, private sector development and environmental protection. Capacity building programmes and initiatives in these areas pose opportunities in terms of mobilizing additional resources to strengthen SPS control systems but may also lead to duplication of efforts, gaps and/or sub-optimal use of scarce resources. Raising awareness at political and decision-making levels in developing countries, and among the broader trade and development community, about the importance of strengthening SPS capacity and the need to invest in this area, will be central to STDF's work.

Who benefits?

9. All the partners, donors and other organizations involved in the STDF stand to benefit directly from the partnership, notably in terms of the exchange of information and experiences, identification and dissemination of good practice, and opportunities to promote synergies and collaborative approaches in SPS capacity building. STDF's developing country experts play an important role in enhancing this dialogue. The ultimate beneficiaries of the STDF are public and private sector entities in developing and least developed countries (LDCs), which stand to benefit from better and more effective SPS projects and the adoption and replication of good practice, including through projects funded by the STDF.⁵

OBJECTIVES AND EXPECTED RESULTS

Vision and programme goal

10. In line with the above, the STDF has the following vision and programme goal. STDF's vision is to promote "*sustainable economic growth, poverty reduction, food security and environmental protection in developing countries.*" The programme goal is "*increased capacity of developing countries to implement international sanitary and phytosanitary standards, guidelines and recommendations and hence ability to gain and maintain market access*".

⁴ Based on the Paris Principles for Aid Effectiveness (ownership, alignment, harmonization, results and mutual accountability)

⁵ The STDF aims to dedicate at least 40% of its project resources to beneficiaries in LDCs and other Low Income Countries (OLICs)

Expected outcome and outputs⁶

11. In order to contribute to the vision and programme goal, the expected outcome of the STDF is enhanced effectiveness of SPS capacity building. This is achieved via four outputs to be pursued during the strategy period in a coordinated and mutually reinforcing manner. In doing so, it is recognized that the need for better and more effective coordination among providers of SPS capacity building is the "raison d'être" of the STDF. This coordination role is at the heart of STDF's work.

a) Information among providers of SPS capacity building exchanged and dialogue among relevant stakeholders promoted

12. The STDF is a knowledge sharing platform. It provides an opportunity to obtain constructive and technical feedback on SPS capacity building initiatives and seek advice on establishing synergies, avoiding duplication and incorporating good practice. Central to this effort is the STDF Working Group, where technical-level representatives of STDF partners, donors and other organizations, as well as developing country experts, share their SPS experiences and lessons learned with a wider audience, so that other development partners and beneficiaries can learn and enhance the results of their own activities. Information is shared on specific projects and initiatives or linked to general cross-cutting topics of common interest to partners, donors and beneficiaries. Experience has highlighted the value of Working Group meetings⁷ to promote dialogue with relevant stakeholders, enhance collaboration and initiate new partnerships among members.

13. The Working Group places a special emphasis on documenting cases of collaborative/cross-cutting/innovative/regional approaches, as facilitated by STDF activities and projects/PPGs for purposes of monitoring and evaluation.

b) Good practice to support SPS capacity building identified and disseminated

14. The STDF supports SPS capacity building in developing countries through identification and dissemination of good practice. In part, this is achieved by making use of STDF-funded projects and project preparation grants (PPGs) to illustrate the usefulness of specific approaches and tools for SPS capacity building. It is also achieved through joint work among relevant STDF partners on cross-cutting (i.e. across the areas of food safety, animal and plant health and trade) thematic topics selected by the Working Group. This STDF work may result in publications, briefing notes, audio-visual material, joint consultations and other events at global and/or regional level. Examples of topics addressed by STDF in the past relate to the use of economic analysis to inform SPS-decision-making, SPS risks and climate change, international trade and invasive species, regional and national SPS coordination mechanisms, public-private partnerships and facilitating safe trade.

15. To disseminate information on its activities and projects/PPGs, while maximizing impact with limited resources, the STDF uses the internet and other information and communication technologies. The new STDF website (launched in 2014) is enhanced on a continuing basis, including information and links to webpages of partners, donors and other relevant organizations and initiatives. This includes open access to SPS capacity building documents (feasibility studies, needs assessments, project documentation, evaluation reports, training materials, etc.) in a searchable, online information repository known as the STDF Virtual Library. STDF's electronic distribution service is used on a regular basis to obtain and disseminate information.

16. The STDF continues to liaise with other selected partnerships, programmes, networks and initiatives in the SPS area as well as in other areas of development cooperation on a case-by-case basis. These include the Enhanced Integrated Framework (EIF)⁸ and other Aid for Trade partnerships. The Secretariat participates in selected external events to disseminate information about the STDF and its work, and promote good practice and coordination and coherence in the delivery of SPS capacity building. In these efforts, it is supported by STDF partners and other Working Group members.

⁶ The order in which the outputs are listed does not reflect an order of importance or priority.

⁷ Meetings will, to the extent possible, be organized back-to-back with meetings of the WTO Committee on Sanitary and Phytosanitary Measures (SPS Committee) to facilitate and maximize participation.

⁸ Collaboration with the EIF is also important to help achieve STDF's target to devote at least 40% of its project resources to LDCs and OLICs.

c) Needs assessments, feasibility studies and project proposals related to SPS capacity building produced

17. Public and private sector beneficiaries in developing countries may lack technical skills and/or financial resources required to assess their SPS needs, set priorities and develop well-designed project proposals. The STDF assists beneficiaries in overcoming these constraints and function as a helpdesk on SPS project development. In doing so, a focus is placed on ensuring that conclusions, recommendations and lessons learned in all areas of STDF work will have increased spill-over effects in terms of good practice in new proposals, and reinforce and complement the technical cooperation work undertaken by partners, donors, as well as other relevant organizations and initiatives.

18. Project preparation grants (PPGs) are the main mechanism in the STDF to assist beneficiaries in articulating and prioritizing SPS needs and developing projects. This includes funding for feasibility studies, where appropriate, to assess the potential impact and economic viability of proposals in terms of expected costs and benefits. As part of the PPG process, beneficiaries are encouraged to apply existing capacity evaluation and prioritization tools in the area of food safety, animal and plant health developed by international organizations.⁹ Their application can provide a foundation for the development of projects, SPS action plans and wider donor strategies. An increased role is envisaged for STDF partners and other relevant organizations and initiatives involved in the provision of SPS-related technical cooperation, in the implementation of PPGs. The STDF encourages and supports requests for PPGs from eligible beneficiaries in LDCs and OLICs.

19. The main criterion in awarding a PPG is the likelihood that its implementation will result in a well-drafted collaborative/cross-cutting/innovative/regional project with the potential to achieve sustainable and effective results. Resulting projects may receive funding from the STDF or from other funding sources. Donors are encouraged to indicate, in the Working Group or during PPG development, whether they will be able to (co-)finance the resulting project. Applicants are also encouraged to consult potential donors when developing and implementing PPG applications. Detailed information on PPG eligibility criteria and other requirements is provided in the STDF Operational Rules, the PPG application form and the Guidance Note for applicants.

20. In case of availability of resources, the STDF may accept to "peer-review" regional SPS-related projects and programmes initiated by donors and other organizations and initiatives involved in SPS capacity building. Such reviews will be carried out by the STDF Secretariat, in close consultation with relevant STDF partners. External STDF reviews of proposals will ensure that information on planned projects and initiatives is widely shared and available at an early stage, reinforce the work of STDF partners, facilitate the application of good practice and the creation of synergies and increased collaboration among providers of SPS capacity building.

d) SPS capacity building projects in specific areas supported

21. The STDF provides a limited number of project grants to strengthen SPS capacity in developing countries, in line with beneficiary's priorities. Both public and private sector stakeholders benefit from projects that address key SPS challenges or opportunities, which influence their ability to gain and/or maintain market access. Projects also have a key role to play in enhancing the effectiveness of SPS capacity building through the identification and dissemination of good practice, and promotion of synergies and collaboration among different stakeholders including government authorities, the private sector, and international, regional and bilateral organizations. They give the Facility visibility on the ground and ensure continued developing country interest in the STDF.

22. The following type of projects are given favourable consideration by the Working Group:

- Projects relevant to the identification, development and dissemination of good practice in SPS capacity building, including projects that develop and apply innovative and replicable approaches;
- Projects linked to STDF work on cross-cutting topics of common interest;
- Projects that address SPS constraints through regional approaches; and

⁹ The STDF regularly updates its guidance document on relevant SPS-related capacity evaluation tools.

- Collaborative and inter-disciplinary projects focused on the interface / linkages between food safety, animal and plant health and trade, and benefiting from the involvement of two or more partners or other relevant organizations.

23. Requests for project funding are reviewed on the basis of the accuracy and completeness of the information provided in the application form, project design, their fit with the objectives of the STDF and their potential to achieve sustainable and effective results. Information is required on the project's rationale and justification, its objective, expected outcomes, outputs and activities, inputs and budget, project implementation and management arrangements, as well as reporting, and monitoring and evaluation. The STDF particularly encourages applications from eligible beneficiaries in LDCs and OLICs. Detailed information on project eligibility criteria and other requirements is provided in the STDF Operational Rules, the project application form, and a Guidance Note for applicants.

OPERATION OF THE FACILITY

24. The STDF is funded through voluntary contributions to the trust fund established under the financial regulations and rules of the WTO. The WTO houses and administers the STDF Secretariat and provides the Secretary to the STDF from its regular budget.¹⁰ Predictable and sustainable funding over the period of this strategy (2015-2019), ideally in the form of multi-annual commitments, will be essential to achieve the expected outputs described above and enhance the effectiveness of SPS capacity building. To implement this strategy, the annual target level of funding of US\$5 million will be maintained.

25. As indicated in STDF's Monitoring and Evaluation Framework (document STDF 509), the Secretariat will report regularly on the operation and achievements of the Facility in an annual report, as well as to the STDF Working Group and other interested audiences. This includes reporting to the WTO SPS Committee, which brings together Geneva-based delegates and national SPS experts from all Members of the WTO. The STDF Operational Rules describe the organization and operation of the Facility in detail.¹¹

¹⁰ The Secretary of the STDF is a regular WTO staff member, while other staff members are funded through the Trust Fund.

¹¹ Document STDF 139 rev.3 (or any subsequent version as agreed by the STDF Policy Committee)

| Vision | | | | | | | | |
|---|--|--|---------------------|---|--|---|--|--|
| Sustainable economic growth, poverty reduction, food security and environmental protection in developing countries | | | | | | | | |
| Programme goal | | | | | | | | |
| Increased capacity of developing countries to implement international sanitary and phytosanitary (SPS) standards, guidelines and recommendations and hence ability to gain and maintain market access | | | | | | | | |
| Intervention logic | Indicator | Baseline and target | Timing of reporting | Means of verification | Responsibility for monitoring indicator | INDIVIDUAL ASSUMPTIONS AND RISKS | General assumptions | |
| Outcome | | | | | | | | |
| Enhanced effectiveness of SPS capacity building in developing countries | Perceived value of STDF partners and other WG members/observers with relevance and effectiveness of STDF activities and projects/PPGs | At least 80% of respondents report a satisfaction rate corresponding to 4 or higher on a 5 grade scale | Bi-annual | Survey of STDF partners and other WG members/observers | STDF Secretariat | Good response rate to survey | Ongoing interest, engagement and support of partners, other members/observers and beneficiaries to participate actively in STDF and share information. Sufficient funding available in STDF Trust Fund and STDF Secretariat fully staffed and operational Other necessary conditions exist (i.e. political stability, national commitment to address SPS constraints, government support, allocation of resources, etc.) | |
| | Documented cases of collaborative/cross-cutting/innovative/regional approaches to capacity building facilitated by STDF activities and projects/PPGs | At least three new cases identified annually | Annual | List of examples maintained by STDF Secretariat. Collection of cases through WG meetings, STDF projects and PPGs, impact evaluation reports, survey and daily work of Secretariat | STDF Secretariat. External evaluators conducting impact evaluations of STDF projects | Capacity building providers and beneficiaries willing to consider, apply and use new approaches | | |
| Output 1 | | | | | | | | |
| Information among providers of SPS capacity building exchanged and dialogue among relevant stakeholders promoted | Number and type of participants in WG | At least 30 participants attending each WG meeting, including partners | Annual | Meeting reports. Website | STDF Secretariat | Active participation in WG | | |
| | Number and type of presentations made in WG (including reports by partners, donors, observer organizations, beneficiaries) | Minimum of one presentation in each WG | Annual | Meeting reports. Website | STDF Secretariat | Active participation in WG | | |
| Output 2 | | | | | | | | |
| Good practice to support SPS capacity building identified and disseminated | Number of thematic topics | Minimum of one thematic topic addressed annually | Annual | Meeting reports. Publications. Briefing notes. Website. | STDF Secretariat | Agreement in WG on priorities for thematic work | | |
| | Number of visitors to STDF website and number of STDF e-newsletter recipients. | Baseline to be specified. Target is to have at least a stable number of visits and recipients over longer time-period. | Annual | Website and e-newsletter statistics | STDF Secretariat | Website attractive and regularly updated | | |
| | Number of external events attended by the STDF Secretariat | Minimum of ten events attended annually | Annual | Reports of external events Back-to-office memos | STDF Secretariat | STDF Secretariat receives invitations to external events, including from partners | | |
| | Number of STDF publications on specific topics | Minimum of one publication annually | Annual | Publications. Briefing notes. Website. | STDF Secretariat | Agreement in WG on topic | | |
| Output 3 | | | | | | | | |
| Needs assessments, feasibility studies and project proposals produced | Number of project preparation grants (PPGs) completed with satisfactory outputs | At least 70% of PPGs having satisfactory output | Annual | Final PPG reports, feasibility studies and/or project proposals End-of PPG questionnaire to applicant/beneficiary | STDF Secretariat | Sufficient number of high-quality PPG applications received by STDF. Specific assumptions of relevance to individual PPGs. | | |
| Output 4 | | | | | | | | |
| SPS capacity building projects in specific areas supported | Number of projects completed with satisfactory outputs (as per individual results framework) | At least 70% of specific outputs achieved for each individual project | Annual | Final project reports. End-of project questionnaire to applicant/beneficiary | STDF Secretariat | Sufficient number of high-quality project applications received by STDF. Specific assumptions of relevance to individual projects | | |