

## **SUMMARY REPORT OF THE STDF WORKING GROUP MEETING**

**22 October 2010**

**WTO Headquarters, Geneva**

### **1. Adoption of Agenda**

1. The Working Group meeting was chaired by Mr Rien Huige, Project Leader at the Ministry of Livestock, Nature and Food Quality of the Netherlands. The agenda was adopted with two amendments: (i) the Secretariat requested to remove project STDF/PPG/165 from agenda item 7 since the final report was received from Madagascar; and (ii) the IPPC Secretariat requested to add project STDF/PPG/230 under this same agenda item in order to request an extension.

2. The Secretariat identified an error in the review document of the project applications that was circulated by the Secretariat, whereby the project reviews for Guinea Bissau and Central African Republic (under agenda item 8 in the review document) were assigned under the wrong headings. Clarification was given that the headings under which the projects were placed in the agenda are correct (Guinea Bissau under applications resubmitted from previous Working Group meetings and Central African Republic under applications benefiting from LDCs or OLICs).

3. The Working Group agreed to start the afternoon session with agenda item 8 (instead of item 6), as requested by FAO, and accepted a request from Pakistan and Iran to attend the meeting. The Secretariat reported that Pakistan was specifically interested in the pilot testing work on indicators. A list of participants is provided in **Annex 1**.

### **2. Election of vice-chairperson**

4. The Secretariat recalled that the current vice-chair of the Working Group (the United States) would become chair in 2011, and that according to the Operational Rules a new vice-chair should be elected. The OIE indicated its interest in the vice-chair position for 2011 and requested clarification on the selection criteria (including whether the chair/vice-chair position is rotated among the five partners). The Secretariat explained that while the chair of the Policy Committee rotates among the five partners, other members, including donors, may serve as chair and/or vice-chair of the Working Group.

5. In light of the above, it was agreed that Working Group members would consult each other on possible candidates for the vacant position of vice-chair and the election would be postponed until the Working Group meeting in March 2011.

### **3. Overview of operation of the Facility**

6. The Secretariat informed the Working Group of the selection of Ms Paola Michelutti as the STDF's administrative assistant. It also indicated that Mr Panos Antonakakis had accepted a position with the private sector, and that he would be missed for his good work. A vacancy notice (at grade 8 level) has officially been issued (with a deadline of 12 November 2010) and efforts will be made to process the recruitment process expeditiously. In the interim period, the post will be filled by Ms Anneke Hamilton, on a temporary basis, starting on 1 November 2010.

### **Report and discussion on STDF meetings and activities**

#### ***STDF / LNV / WBI Workshop on Public-Private Partnerships (PPPs) in support of SPS capacity***

7. The Secretariat reported on the workshop on PPPs in support of SPS capacity, organized in collaboration with the Ministry of Agriculture, Nature and Food Quality of The Netherlands (LNV)

and the World Bank Institute (WBI), in The Hague on 4-5 October 2010. A total of 95 experts (including 31 sponsored by the STDF) participated on behalf of government agencies, donors, international organizations, private sector associations and companies, research and academia. Several members of the Working Group were also represented. An excursion to the Port of Rotterdam on 6 October, organized by LNV, provided an interesting opportunity for some 50 participants to observe inspection and customs facilities.

8. It was noted that the STDF Secretariat, LNV and WBI were impressed with the quality of the presentations and discussion during the workshop, and positive feedback has been received from participants. The STDF website now includes all the workshop presentations. An STDF Briefing Note summarizing the workshop's conclusions is under finalization. The desk study on SPS-related PPPs is also being finalized and will be posted on the STDF website by the end of the year. The Secretariat will feed the workshop's outputs into upcoming events and activities, including the *Conference on Strengthening Responsible Business and Governance in Africa* (17-18 November, Brussels, World Bank Institute) and the *Better Training for Safer Food (BTSF) High Level Conference* (18-19 November, Brussels, EU). The representative from Brazil thanked the STDF and other organizers for this successful activity.

#### ***Pilot testing work on use of economic analysis to inform SPS decision-making***

9. Following the Working Group's approval of the proposed economic analysis pilot testing work on 2 July 2010, the Secretariat has contracted Mr Spencer Henson to develop a framework to apply the Multi Criteria Decision Analysis (MCDA) framework in the SPS area and lead the pilot testing work in two countries in Africa, one in Asia and one in Latin America. Discussions regarding the selection of pilot countries are underway, and the Secretariat intends to begin the work in Africa by early 2011. Following expressions of interest, opportunities to carry out the pilot testing work in Mozambique (focused on fruit fly control) and Zambia are being considered. Clear commitment of key national stakeholders will be a pre-condition for the selection of pilot countries. Special efforts will also be made to ensure linkages with other relevant ongoing/planned initiatives (e.g. planned support by the World Bank and other partners for the livestock sector in Zambia, data collection and other work related to fruit fly control in Southern Africa led by USDA and others).

10. In response to questions, the Secretariat clarified that: (i) the pilot testing would begin in Africa; (ii) few expressions of interest had yet been received from countries in other regions, however, there could be opportunities to work with the Caribbean Agriculture Health and Food Safety Agency (CAHFSA) as suggested by the EU; and (iii) the pilot testing would focus on prioritizing capacity building options across SPS as a whole, however, if Mozambique is selected, the focus there would be on fruit fly. IICA highlighted concerns related to CAHFSA's staffing, programmes and ability to address animal and plant health matters, and underlined its readiness to support CAHFSA and to work with the STDF in this context.

#### ***Pilot testing work on SPS indicators***

11. The Secretariat provided an update on the ongoing work on SPS indicators, noting that the STDF website has been updated following the technical working meeting on 1 July. The technical working paper is being revised. The Secretariat referred to the background note outlining the proposed pilot testing work in 2011. Following recommendations made at the technical working meeting, the Secretariat indicated its readiness to link the SPS indicators piloting work to SPS-related capacity evaluations tools (and the "indicators" and/or data they generate) developed by FAO, IPPC, OIE and IICA, as well as planned work by UNIDO on the development of compliance indicators. Preliminary discussions have been held with the IPPC Secretariat and UNIDO, and the Secretariat would welcome more in-depth discussions to explore and discuss practical linkages, before beginning in-country pilot testing.

12. The Secretariat noted that: (i) some countries have expressed interest in the indicators pilot testing but the final selection would not be made before 2011; (ii) the scope of the tool to be developed through the piloting work is still to be clearly defined, however, it would build on the working paper and provide practical guidance to apply results-based management (RBM) and develop indicators for national SPS systems; (iii) Kees van der Meer is proposed as a consultant to support this work given his relevant experience in the SPS area (including design of indicators and involvement in the technical working meeting), however, other suitably qualified consultants would be considered and recommendations from the Working Group would be appreciated; and (iv) it would seek to link the SPS indicators work with the planned economic analysis work and joint training with the Enhanced Integrated Framework (EIF) Secretariat on project design and logical frameworks, wherever possible.

13. The Working Group discussed the type of indicators (higher-level SPS indicators vs. sectoral indicators) to emerge from the pilot testing work. The Secretariat underlined that the SPS piloting work would focus on broad indicators for a national SPS system, as opposed to sector-specific indicators, which are the focus of most of the existing SPS-related capacity evaluation tools. It noted that the IICA PVS Tool for SPS provides a good starting point to address cross-cutting SPS indicators and the Secretariat would discuss ways to collaborate with IICA in this work.

14. In terms of country selection, the OIE suggested to include a criterion based on the number of experiences in applying capacity evaluation tools (PVS, PCE, etc.). The IPPC Secretariat indicated that it had revised its PCE tool, which would be rolled out in 10 countries by the end of the year, and another 20 countries within the first three months of next year. The tool currently includes a relatively large number of indicators, however, there are plans to identify some key indicators.

15. The Working Group accepted the Secretariat's suggestion to organize smaller in-depth discussions with partners and other concerned stakeholders in the months ahead to map out and agree on the steps to advance this work.

### ***Regional Action Plan to control fruit fly in West Africa***

16. The Secretariat updated the Working Group on efforts to establish a project management unit in ECOWAS to implement the Regional Action Plan to control fruit fly in West Africa. While ECOWAS has reportedly allocated a budget of US\$1 million for this purpose (to be spent by the end of 2010), progress has been slow in spite of efforts by the STDF Secretariat and the World Bank (including a high-level letter from WTO Deputy Director General Harsha Singh to the ECOWAS Commissioner). While the STDF will continue to monitor developments, it cannot influence internal procedures within ECOWAS.

17. The Secretariat reported that following the end of the current STDF fruit fly project (STDF/PG/313) in March 2011, any relevant ongoing activities under this project should be taken on board under the Regional Action Plan. Similarly, publication by COLEACP of a fruit fly newsletter (currently financed by the STDF) should also be picked up under the Regional Action Plan in 2011.

18. The meeting was informed that USDA has allocated funds to work on fruit fly control in East and Southern Africa and that a stakeholder meeting may be planned for March 2011. There was agreement that: (i) a slightly different approach would be needed in East and Southern Africa given the active role of the private sector, alongside National Plant Protection Organizations (NPPOs); and (ii) lessons learned from West Africa should be taken into account in future work.

19. In the general context of developing and implementing regional action plans in Africa, the following issues were also discussed: (i) the need to separate issues of ownership/administration from technical competence; (ii) the expected role of Regional Economic Communities (RECs) in leading these regional activities and associated constraints, particularly in terms of technical SPS capacity; (iii) opportunities to involve ICIPE, COPE and/or other technical institutions in

implementation of such plans under the political leadership of RECs; and (iv) options to strengthen the SPS capacity of the RECs by providing additional experts, through possible support from the new EU Veterinary Governance Project, the Bill and Melinda Gates Foundation, or other interested donors.

20. The Secretariat related this discussion to the findings of the STDF scoping study, carried out at the request of the African Union Commission (AUC, STDF/PPG/305), which examined the AUC's and RECs' role in the SPS area. This study raised important issues related to duplication in SPS regulations and, to some extent, contradictory approaches within RECs which each have adopted their own SPS regulations (often as annexes to trade protocols). The Secretariat welcomed ongoing and future efforts to strengthen the capacity of RECs, as well as suggestions to involve technical organizations like ICIPE in implementation of regional action plans. The Secretariat agreed to reflect the fruit fly experiences and lessons from West Africa in future discussions focused on East and Southern Africa, to continue work with its partners to address the challenges faced, and to keep the Working Group informed.

#### ***Aid for Trade Ministerial Conference for SPECA countries***

21. The Secretariat updated the Working Group on the side-event on SPS challenges facing SPECA countries (Special Programme for the Economies of Central Asia), which will be organized jointly by UNIDO and the STDF during the Aid for Trade Ministerial Conference for SPECA countries on 1-2 December 2010 in Baku, Azerbaijan. This session will include a presentation by Mr Kees Van der Meer, author of the 2007 World Bank report on Food Safety and Agricultural Health Management in CIS Countries, followed by a discussion with SPS representatives from six SPECA countries (sponsored by UNIDO). The Russian version of the 7-minute STDF "Trading Safely" film will also be shown (assuming it is available as planned). Reference was made to Mr Van der Meer's presentation, which was distributed prior to the Working Group meeting. It was noted that inputs from STDF members after the Working Group's meeting in July 2010 had been taken into account.

22. Information was shared on UNIDO's initiative to develop and present a concept note on SPS needs assessments for SPECA countries at the Ministerial Conference. The Working Group expressed concerns over the supply-driven nature of this initiative and indicated that a more holistic approach, reflecting the socio-economic and political contexts of these countries, should be taken into account before engaging in needs assessments. The OIE and IPPC noted that some countries in this region have already undertaken sector-specific assessments using the PVS and PCE tools, and that a regional approach would not be appropriate given regional disparities. The ITC provided details about its SECO-funded project in the Kyrgyz Republic and Tajikistan, which aims to improve SPS and TBT capacity. Given ongoing activities and challenges (notably sustainability and ownership) in implementing SPS-related projects in parts of this region, the Working Group recommended the STDF not to participate in the proposed needs assessment initiative at this stage.

#### ***STDF scoping study on national SPS coordination mechanisms***

23. The Secretariat provided an update on the ongoing scoping study on SPS coordination mechanisms. A draft document is expected by the end of this year and will be circulated to the Working Group and the wider STDF e-mail distribution list once finalized, in early 2011. It was noted that some difficulties had been encountered due to the unforeseen difficulty of the consultant to travel for personal reasons, which affected the quality of the first draft received. To address this situation, the Secretariat contracted the UK-based Natural Resources Institute (NRI), to assist the Secretariat in finalizing the study, using the remaining unspent funds allocated for this work. In response to concerns raised regarding possible waste of resources and the selection of consultants, the Secretariat clarified that this study would still be produced on budget, and that consultants are recommended by the Working Group and its networks.

24. The Secretariat noted that this study may also highlight that establishing a national coordination mechanism is not a requirement under the SPS Agreement (despite such an obligation under some regional SPS protocols). However, such a mechanism may enhance the transparency agenda.

***Joint EIF/STDF training on project design and results based management tools***

25. The Secretariat reported on plans for the joint EIF/STDF training course on project design, to be conducted by the Centre for International Development and Training (CIDT) of the University of Wolverhampton. Two pilot countries (Yemen and Nepal) have been selected and national training workshops will take place in 2011. The Secretariat aims to actively participate in these workshops from the preparatory stage to delivery. This will involve identification of participants from key SPS public and private institutions, and preliminary discussion on specific SPS project ideas for further development during the workshops. It is expected that the resulting projects will be submitted to EIF Tier II funding or to the STDF for consideration. The Secretariat has initiated discussions on possible projects in the fisheries sector in Yemen as a follow-up to project STDF/PG/69. The ITC indicated its willingness to work with the STDF on further support to the Yemeni fisheries sector.

**STDF participation in other organizations and initiatives**

26. The Secretariat provided an overview of its participation in, and presentations to, the following meetings and events:

- Side-events on SPS capacity building and STDF/PG/171 ("COPE"), co-organized by COMESA and CABI, on the margins of the 5th Agriculture Science Week (FARA) in Burkina Faso (19-25 July);
- Meetings in Rome with IPPC and other FAO staff (19 September);
- The final BTSF workshop in Capetown, followed by the Steering Committee of the PAN-SPSO project (12-16 October);
- WTO workshop on transparency (18 October);

27. An invitation to participate in a meeting of the WHO Global Foodborne Infections Network (GFN) on 26 August was declined due to unavailability of staff.

28. The Secretariat also reported on its participation in other planned meetings and events:

- COMESA meeting to discuss SPS strategy/action planning (26-28 October, Zambia);
- IPPC meeting to discuss phytosanitary capacity building strategy issues (26-28 October, Rome);
- Meeting with the Swedish International Development Cooperation Agency (27 October, Stockholm);
- WTO regional SPS seminars for Latin America ( 2-5 November, Peru) and Asia (22-26 November, Sri Lanka);
- Meeting of the WHO Foodborne Disease Burden Epidemiology Reference Group (FERG) (Geneva, 11 November);
- Geneva Week for WTO Non-Resident Members and Observers (15-19 November);

- Conference on Strengthening Responsible Business and Governance in Africa (17-18 November, Brussels);
- BTSF High Level Conference (18-19 November, Brussels); and
- OIE Global Conference on Veterinary Legislation (7-9 December, Tunis).

29. Due to conflicting meetings, invitations to attend the following meetings were declined: (i) launch of the Centre of Phytosanitary Excellence (COPE), developed under STDF project STDF/PG/171 (27 October, Nairobi); and (ii) an OECD meeting on Aid for Trade indicators (22 October, Paris).

30. The Secretariat encouraged the RECs and the African Union Commission to become observers (if not already) in the standard-setting bodies and also in the WTO SPS Committee, as a means to ensure that SPS work in these regions is carried out within the appropriate international trade and standard-setting context. The EU thanked the Working Group members who participated in, and contributed to, the BTSF study on establishing best practices in SPS capacity building launched by the EU earlier this year.

### **STDF website, e-mail distribution system and project fact sheets**

31. The Secretariat updated the Working Group on the new STDF website which will be available in French and Spanish during the following weeks. A few technical issues are still to be fully addressed, such as the development of a search tool, and further comments and suggestions made by Working Group members were still to be incorporated, where appropriate. STDF donors will be contacted regarding possible contact persons and links to relevant parts of their agencies' websites dealing with SPS-related capacity building.

32. The Secretariat reported on its initiative to develop a new "STDF Virtual Library". A draft business case has been prepared and will be revised based on discussions with the WTO-IT Unit in November/December. The Secretariat intends to introduce a proposal on the virtual library project at the next Working Group meeting. It is expected that implementation will begin in 2011.

33. The Secretariat briefed the Working Group on the STDF e-mail distribution list (under "WTO news"), which is used on an ongoing basis to disseminate information (e.g. on the PPP workshop, the new STDF Newsletter). Messages inviting persons who have been in contact with the Secretariat to subscribe to the system will continue to be sent regularly.

34. A new issue (October 2010) of the STDF Newsletter was released and distributed, including to the WTO SPS Committee. Work to translate the STDF "Trading Safely" film into Arabic, Chinese and Russian is underway. The new language versions – which are being produced with the financial support of the Safe Supply of Affordable Food Everywhere, Inc. (SSAFE) initiative – will be available by the end of 2010.

### **Funding situation**

35. The Secretariat reported on the STDF funding situation. Taking into account outstanding commitments, including ongoing staffing commitments to the end of the year, the STDF currently shows a positive balance of CHF 1,637,957. As of 4 October 2010, contributions had been received from the EU, Finland, Ireland, Japan, the Netherlands, Norway, Sweden and the United States, totalling CHF 3,668,777. It was noted that this amount was CHF 1,461,223 short of the annual target, however, it did not include: (i) a new contribution received after 4 October from Denmark; and (ii) unspent funds of US\$250,000 received from UNCTAD following closure of the STDF project in Guinea (STDF/PG/65). Taking into account the funds from Denmark and UNCTAD, the balance would increase to approximately just over CHF 2 million.

36. The Secretariat reported that funds requested from the Facility for PPG and project implementation, for consideration during the meeting, amounted to US\$2,063,437 (of which the Secretariat recommends a total of US\$ 364,300 for funding). The Secretariat considered the following issues in relation to the current positive balance: (i) review criteria for applications seeking funding have been tightened and issues related to the Paris Principles (sustainability, design, national ownership, etc.) must be addressed. As such, the review and approval process takes longer; (ii) more than CHF 3.7 million in project grants and PPGs has already been contracted in 2010; (iii) a number of projects are in the pipeline and, by March 2011, four to five projects will be ready for consideration by the Working Group; (iv) the delicate balance between coordination work and project development/ implementation activities in the context of current staffing and financial resources. The Secretariat suggested that this should be further discussed in the future, during the development of the new STDF strategy.

37. Some members of the Working Group requested information on the financial outlook for 2011, as well as the Secretariat's fund-raising strategy for current and new donors. The Secretariat indicated that Sweden, Netherlands and the EU have signed multi-annual agreements, which cover approximately 40-50 per cent of the budget for 2011, and discussions with Canada are ongoing. Canada noted its commitment to support the STDF (conditional on the WTO adopting and implementing results-based management in its technical cooperation activities). Germany indicated that it will make a contribution for 2010. The Secretariat suggested that, as part of the development of a new STDF strategy, the approach should be to see how best to keep existing donors on board, as well as explore how to attract new donors. The Secretariat noted its collaboration with other organizations, including the World Bank and regional development banks, specifically the Inter-American Development Bank. The African and Asian Development Banks have been less engaged to date. In the future, contacts could also be pursued with the Islamic Development Bank.

#### **4. STDF Operating Plan 2011**

38. The Operating Plan 2010-11 was revised and updated for 2011 and circulated to the Working Group for comments. The Secretariat highlighted the major changes proposed (as per para. 23 of the Annotated Agenda) and invited the Working Group to approve the revisions, so that the revised Operating Plan for 2011 could be submitted to the Policy Committee for approval on 3 December.

39. The Secretariat noted its proposal to increase the budget for the pilot project on SPS indicators by US\$25,000, i.e. from US\$75,000 to US\$100,000. The Secretariat also highlighted the proposed schedule of STDF meeting dates for 2011 (in Annex 4 of the Operating Plan 2011).

40. The Working Group discussed the scope of "coordination" activities and whether there was a need for a broader term to cover activities referenced under the corresponding sections in the Operating Plan. Discussions considered whether STDF activities are broader than simply "coordination" since they seek to turn the Facility into a centre of excellence. Some members stressed that STDF's central purpose is improving SPS coordination and this mandate is essential to STDF's work. The Secretariat requested further input from the Working Group in this regard, including suggestions on an alternative term, if needed. It was also noted that the ultimate objective of the STDF is to strengthen SPS capacity in developing countries and, as such, the second objective which focuses on enhancing SPS coordination (as per para 4 of the Operation Plan) contributes to the first objective. It was agreed to continue this discussion in the context of development of a new strategy for the STDF for 2012 and beyond.

41. The Secretariat made a proposal to the Working Group to reduce the number of *ex post* project evaluations, while paying increased attention to ongoing monitoring and dissemination of lessons learned. This proposal was made in the context of the resource implications for the Secretariat to organize *ex post* evaluations for every project, as well as the sometimes limited value-added of "desk study" evaluations. It was noted that one of the main functions of an external *ex post*

evaluation was to ensure accountability and identify relevant lessons learned, which could be taken into account in future activities. During the discussion, Working Group members stressed: (i) the importance of monitoring – as well as evaluations – particularly in terms of results-based management; (ii) the need to use information from project reports to draw out lessons learned, and the usefulness of meta-evaluations to summarize lessons learned more widely; and (iii) the importance of building strong monitoring mechanisms into project design.

42. In the event, that a decision would be made in the future to reduce the number of *ex post* evaluations, Working Group members considered the type of selection criteria to be used. There was agreement that it would be important that evaluations should be random to avoid beneficiaries/projects knowing in advance whether they would be evaluated. It was also noted that, in many countries, SPS staff are over-burdened by several evaluations of individual projects, which imply a huge time commitment. In the event that a decision is made to reduce the number of *ex-post* evaluations, there was agreement that it would be essential – in terms of accountability – to find an effective way to replace the current system for *ex post* evaluations, including through substantially improved monitoring on an ongoing basis during the implementation of projects.

43. The Working Group accepted the Secretariat's proposal to keep this item on the agenda for consideration by the Policy Committee with the view to limit the number of *ex post* evaluations in 2011 (for instance to evaluate one third of completed projects). The Working Group agreed to further discuss the selection criteria for projects to be evaluated in March 2011, as well as other aspects related to the proposed reduction in the number of evaluations, within the context of the development of a new strategy, and necessary revisions to the STDF Operational Rules.

44. On a related point, some members of the Working Group proposed that the Secretariat identify and use the achievements of 2010 as baselines in the logframe of the Operating Plan for 2011 (specifically using the information contained in the Annual Report). The Secretariat indicated that the draft Annual Report for 2010 would be completed in the first quarter of 2011 and, as such, the baseline data for achievements in 2010 could be included at that point.

#### **Proposed global level workshop on international trade and invasive species**

45. The Secretariat introduced the concept note for the proposed seminar on invasive species and international trade, tentatively scheduled for 27 June 2011, which had been discussed informally with the OIE and IPPC. While acknowledging that this is an important topic that requires international attention, the IPPC expressed new concerns about the information presented in the concept note specifically the inconsistent use of terms and definitions, and confusion between environmental and agricultural issues. It was noted that the definition and scope of the term "invasive alien species (IAS)" is currently being examined under the Convention on Biological Diversity (CBD). The appropriateness and need for the STDF to organize an event on this subject – which falls under the mandate of the inter-agency liaison group – was questioned. It was suggested that the STDF should play a role within this group, particularly given the sensitive and political nature of this topic. The WTO indicated that it would invite the CBD to request STDF's participation in the group.

46. The Working Group also considered possible other topics for a global-level seminar in 2011. Good governance in SPS capacity building was put forward, however, no consensus was reached. Some members questioned whether it would be necessary to organize a global-level event in 2011. The Working Group agreed not to hold a global-level event back-to-back with the SPS Committee meeting in June 2011, as proposed, but to continue reflecting on other topics and dates, based on suggestions from the Secretariat. The Secretariat noted that it may be difficult to organize an event towards the end of 2011 due to other work related to the development of a new STDF strategy. The Working Group may have to consider postponing this event to the first half of 2012.

## 5. STDF Policy Committee

47. The Secretariat presented the draft agenda of the Policy Committee, scheduled to take place on 3 December 2010, to the Working Group for comments. It was noted that the agenda included three main issues: (i) reporting on STDF's operations and activities in 2010; (ii) approval of the Operating Plan for 2011; and (iii) the development of the new STDF strategy. Partners and donors would be invited to make a preliminary statement at the Policy Committee meeting on the future direction of the STDF. The Secretariat was planning to circulate a questionnaire to Working Group members to seek their inputs on the new strategy by the beginning of January. The Working Group meetings in March and June would be extended by one day each to facilitate in-depth discussion on the new strategy. It would be determined in due course whether an additional day is needed for the October meeting.

48. The Secretariat informed the Working Group that donor members had been invited to agree on three new representatives to serve on the Policy Committee in accordance with the STDF Operational Rules. Denmark indicated that consultations are ongoing and that a decision would be available within two weeks. Denmark also suggested seeking additional input from LDCs and developing countries, which could more broadly feed into the new STDF strategy. It was agreed that further discussions would take place in the Policy Committee on how best to seek this input, for instance by questionnaires or through consultations by the Secretariat with key partners in developing countries.

## 6. Information exchange on SPS-related initiatives

49. The Secretariat informed the Working Group that the presentation of the Inter-American Institute for Cooperation on Agriculture (IICA) on the recently completed project STDF/PG/108 entitled "Developing institutional SPS capacity of countries in the Americas" was postponed because of time constraints. The presentation would be made at the next Working Group meeting in March.

### *European Union – EDES/COLEACP Programme*

50. Mr Renaud Guillonnet, Director of the new EU-funded EDES programme, introduced this initiative to the Working Group. This programme – focused on fruits and vegetables – includes awareness raising, grant making, etc. The EU envisions coordination and information exchange with the STDF, including exploration of collaboration in terms of projects formulated through STDF PPGs. Comments following the presentation touched on: (i) the need to specifically consider food safety and quality for the domestic market, as well as export; and (ii) sustainability. In response to a question about project size, the EU indicated that the size is not currently limited and that the current focus was to train small producers and equip them to export leading to an impact on the domestic market.

### *WTO – Aid for Trade developments*

51. Michael Roberts, Aid for Trade Coordinator at the WTO, made a short presentation to the Working Group on the "call for Aid for Trade case stories", which combine quantitative and qualitative information on the success of aid for trade in promoting development. Working Group members were encouraged to submit case studies to help raise awareness about the success of past/ongoing SPS capacity building initiatives and outstanding needs. It was noted that case stories will be presented to the Third Global Review of Aid for Trade in 2011.

52. The presentation also provided an update on monitoring and evaluation within the WTO-OECD framework. It was noted that discussions have been held with the STDF Secretariat on economic analysis and SPS indicators, and that more importance is being placed on raising awareness at high political levels. Information was provided on case stories under development including meat exports to Mexico from Belize and fruit fly. The Working Group agreed on the

importance of case stories in creating awareness, as well as generating additional resources for SPS capacity building.

***Other initiatives of partners, donors and observers***

53. The Secretariat introduced a compilation document with information on ongoing and planned SPS-related capacity building activities submitted by members and observer organizations.

54. The Secretariat presented a background note – received from the Poverty Action Lab at Massachusetts Institute of Technology (MIT) – proposing the application of the randomized evaluation methodology to SPS-related projects. Recognizing that this is an innovative and interesting approach to project evaluation, which has not been widely utilized in trade-related projects to date, the Secretariat noted that: (i) the costs of applying randomized evaluation can vary considerably (up to US\$1 million) depending on the scope and size of the project and data collection needs; and (ii) this methodology would only be relevant for a limited number of projects approved annually by the STDF Working Group. In particular, projects to develop action plans, strengthen government agencies or enhance coordination would be less relevant for the application of this approach to evaluation. If the Working Group decides in the future to trial the use of this methodology within STDF projects, resources would be needed to help applicants to incorporate this approach (including revisions to the application templates).

55. The Secretariat invited Working Group members, particularly those whose agencies have already utilized this approach, to provide feedback on the possible application of the randomized evaluation methodology to SPS-related projects. It was also suggested to invite Mr Vincent Pons (MIT) to introduce this approach at the next Working Group meeting, as a means to facilitate further discussion.

**7. Overview of implementation of ongoing projects and PPGs**

56. The Secretariat indicated that an overview of the implementation status of all projects was available in the document previously circulated (STDF/WG/Oct10/Overview).

**Presentation of issues arising by Secretariat**

***STDF/PPG/305 - Institutionalising SPS for agricultural health and food safety systems in Africa***

57. The Secretariat informed the Working Group about this study (available in the meeting room) and invited members to review, comment and provide feedback (via e-mail) on the study. The Secretariat informed that preliminary consultations have been held with the African Union Commission (AUC) and the EU with a view to have (some) recommendations of this study validated by the AUC. Additional meetings will be held by the EU with the African Union and its specialized agencies to discuss the conclusions and recommendations of this study. The Secretariat indicated that a more advanced presentation of this study could be made in the next Working Group meeting, if so requested.

***STDF/PG/302 – Cabbage project in Senegal***

58. The Secretariat recalled that this project was approved for co-funding with the EIF and flagged concerns related to the delay in contracting the project due to slow progress in the establishment of the EIF National Implementation Unit in Senegal. The applicant had made a request to the Secretariat to consider STDF funding of the full project. The Secretariat also reported on a letter from the Ministry of Commerce of Senegal to the EIF Executive Secretariat confirming its interest in this project. In addition, the Secretariat highlighted that some budget items (to be funded under the EIF component) would not be eligible for STDF funding (notably in relation to equipment). The Working Group recommended to continue securing EIF co-funding for this project

and indicated that it would consider providing additional time for contracting and implementation beyond the one-year period from the date of approval, if necessary (March 2010).

***STDF/PPG/230 - Establishment of Pest Free Areas for Lethal Yellowing Disease (LYD) in Coconuts in Mozambique***

59. The IPPC indicated that staff changes in Mozambique had delayed the implementation of this project and requested a six-month extension. The Working Group approved this request.

**Evaluations of completed projects**

60. The Secretariat recalled that the Working Group had decided in December to evaluate four projects completed in 2009. These evaluations are projected to start before the end of this year. The Secretariat will circulate a shortlist of potential evaluators for each project to the Working Group for comments, in accordance with the Operational Rules. The Secretariat informed the Working Group about several projects to be completed at the end of this year and suggested that a decision be made on the evaluation approach in the next Working Group meeting in March 2011, as earlier discussed.

**8. Review of applications received**

61. The Secretariat introduced the projects that were not tabled for consideration by the Working Group.

***STDF/PG/330- Regional Development Plan for the municipalities of Cocos and Jaborandi in the South-Western Region of Bahia State (Brazil)***

62. The Secretariat referred the Working Group to document **STDF/WG/Oct10/Review** (Table 2) which provides specific details on the reasons for not accepting this project for consideration. The Secretariat indicated that although the proposal was well drafted, it does not specifically address an SPS concern. However, the project may lead to SPS-related work at a later stage. Brazil indicated that work was currently being undertaken to strengthen the SPS capacity of municipalities and that the proposed project complements these efforts. In this context, Brazil requested the Working Group to consider the additional information that was provided to the Secretariat. The Secretariat clarified that a regional development plan is generally not eligible for STDF funding but indicated that further discussion could be held on future implementation of possible SPS-related actions identified in the resultant plan.

***STDF/PPG/332-Assessment of the public health impact of the presence of gossypol in cottonseed oil (Burkina Faso)***

63. The Secretariat again referred the Working Group to document **STDF/WG/Oct10/Review** (Table 2) which provides specific details on the reasons for not accepting this project for consideration. These included *inter alia* the focus on standards development - which falls outside the scope of the STDF - and the absence of a trade-related angle in the current proposal. While agreeing on the analysis made by the Secretariat, FAO highlighted the importance of the gossypol issue from a domestic health perspective and noted that the project may be relevant to regional trade. It was suggested that FAO works with the applicant to revise the existing proposal focusing on how international codes of practice can be translated into the value chain context.

**Project applications resubmitted from previous meetings**

***STDF/PG/309R1 - Strengthening SPS capacity in Guinea-Bissau***

64. The Working Group considered that the revised proposal addressed all the concerns raised at its meeting in July 2010 and approved the project for co-financing with the World Bank's Trade

Facilitation Facility (TFF). This approval was made conditional to a further revision of the proposal taking into account comments made by FAO regarding the structure of training envisaged for inspection services and recommendations made by the EU on further improvement of the logframe matrix (confusion between goals, specific objectives, expected results and activities, and irrelevance of some indicators) and on clarification of the roles of the private sector and the national SPS Committee. Other concerns such as the need to avoid duplication with other projects, particularly regarding some laboratory capacity, as well as to make good use of existing documents in Portuguese, should be further addressed during the implementation of the project.

### **PPG requests**

#### ***STDF/PPG/329 – Support to public and private sector for SPS implementation in Nepal***

65. The Secretariat introduced the application received from the Ministry of Agriculture and Cooperatives in Nepal to strengthen SPS capacity in the public and private sector. The recent completion of an STDF project in Nepal (STDF/PG/170) was noted. The Secretariat noted that this request is timely in view of the adoption of the Nepal Trade Integration Strategy (NTIS), which highlighted SPS priority needs – and opportunities to promote collaboration with the EIF. It recommended that the PPG request be approved provided that: (i) it is implemented in close collaboration with the EIF focal point and other relevant initiatives including the World Bank Project for Agriculture Commercialization and Trade (PACT); (ii) the scope of the proposed project is clearly articulated to achieve specific results for one or two pilot products, which could then be expanded / replicated for other products (reference was made to the ITC's work on value chains in Nepal and a suggestion was made to consider the involvement of ITC); and (iii) consideration is given to other consultants. IPPC expressed reservations about the proposed consultant, specifically his limited experience in plant health. The Working Group approved the Secretariat's recommendation.

#### ***STDF/PPG/331 – South-South cooperation to enhance phytosanitary capacity to secure market access (CABI)***

66. The Secretariat presented the PPG application and underlined the shortcomings of the proposal, mainly in relation to lack of clarity in terms of the scope of the resultant project and the activities proposed. Concerns were raised by the Working Group regarding a possible conflict of the proposed network with the IPPC. It was highlighted that the approach excludes National Plant Protection Organizations (NPPOs) in the countries concerned and may therefore potentially lead to decreasing market access - instead of improving it. In addition, reservations were expressed about the contribution of the network to building national capacity given the emphasis put on external expertise. The Working Group agreed to invite the applicant to revise the request in close consultation with the IPPC, and resubmit the application for consideration by the Working Group at a future meeting.

#### ***STDF/PPG/334 – Support to COMESA in advancing the SPS agenda***

67. The Secretariat presented the PPG request received from the COMESA Secretariat. Concerns raised by the Working Group related to the need for further clarification of the "Green Pass" concept and its compatibility with the IPPC, an extended scope of the project to include three different commodities (maize, bananas and deboned beef), and the capacity of COMESA to implement such a project. It was recommended that plant and animal products should be treated separately. The OIE suggested that a PPG focusing on deboned beef should pay close attention to OIE work and initiatives in this area. In addition, it was proposed that the ALive Board would be invited to review the veterinary components of the proposal.

68. The Secretariat indicated that it would be participating in a meeting at COMESA in the week of 25 October 2010 to discuss and assist in advancing COMESA's SPS strategy. The Working

Group agreed with the Secretariat's suggestion to wait for the results of this meeting before advising COMESA on a more targeted approach in the revision of the PPG request for consideration at the next Working Group meeting.

***STDF/PPG/335 – Strengthening the capacity for phytosanitary controls in the floriculture sector in Uganda***

69. The Secretariat introduced the PPG request from Uganda and recommended that this proposal be approved on the conditions that: (i) the budget be adjusted; and (ii) the surveillance program be extended to include the private sector and not solely focus on public sector inspectors. The surveillance program could over time be extended to other harmful organisms. Comments were made regarding inconsistent terminology in the PPG request with IPPC language and the need for a more up-to-date PCE analysis. In addition, some members highlighted that potential challenges in implementation could relate to lack of institutional capacity and weak collaboration with the private sector. These concerns were confirmed by an analysis made by the Agri-business Trust Fund in Uganda, led by Denmark. The Secretariat queried whether this Trust Fund would be able to fund the resultant project. It was indicated that the floriculture sector is not currently a priority area of the Trust Fund, however, Denmark will provide the Secretariat with the necessary contact details for follow-up.

70. The Working Group approved the funding of this PPG, subject to the conditions outlined by the Secretariat, and taking into account the issues arising from the discussions. Terms of reference for the consultant will be drafted by the Secretariat in close collaboration with the applicant.

**Project applications from or benefiting LDCs or OLICs**

***STDF/PG/308 – Developing an SPS action plan for the Central African Republic***

71. The Working Group agreed with the Secretariat that important elements were missing in the project proposal. These included the lack of a robust logical framework, an overview of the economic environment, major market access issues faced and the specific SPS situation of the country, unclear budget, absence of any description of possible complementarities with other SPS-related capacity building interventions (including the application of the OIE-PVS and the IPPC-PCE tools), as well as lack of a clear private sector involvement.

72. The Working Group agreed to approve a PPG to assist the applicant in making a preliminary assessment of the country's SPS situation, considering its national institutional capacity, and prepare a project proposal focusing on a concrete problem. It was recommended to clearly define and focus the terms of reference of the consultant. Members were requested to recommend names of consultants for this assignment. The EU mentioned that the "EDES" programme could potentially assist in the implementation of some priority actions to be identified during the elaboration of the proposal - provided these actions would meet the eligibility criteria and conditions.

***STDF/PG/321 – Building trade capacity of small-scale shrimp and prawn farmers in Bangladesh, Investing in the Bottom of the Pyramid Approach***

73. The Working Group agreed that this project was relevant and had good potential. Several concerns were highlighted by the Secretariat, notably in relation to project design. The FAO welcomed the project's formulation in the FAO format, as FAO would be the implementing agency partner. The Working Group had no objections to this approach. The Working Group recommended that this project be updated - in line with the Secretariat's comments and concerns - and resubmitted for approval. The proposal should include a 10% contribution from the beneficiary.

***STDF/PG/333 – Strengthening of veterinary legislation in Cameroon***

74. The Secretariat briefed the Working Group on the objectives, scope and other details of this application. Although the proposal appears to be fairly straightforward, it has several shortcomings in project design such as the absence of a proper logframe matrix and insufficiently detailed budget. Furthermore, the proposal does not take into account the OIE Guidelines on Veterinary Legislation and other ongoing work (mainly under the EU-funded BTSF project as well as a new project with AU/IBAR on veterinary Governance). The Secretariat pointed out that the applicant requested implementation by FAO and invited FAO and OIE to consider a possible joint implementation of the project. The Working Group supported this suggestion and decided not to fund this project at this stage. The applicant was requested to resubmit the proposal for consideration at a future meeting.

***STDF/PG/336 – Enhancing the control of transboundary animal diseases in Cameroon***

75. The Secretariat introduced the proposal and highlighted its concerns related to the sustainability and feasibility of the proposed activities (mainly massive vaccination) within the limited lifespan of a 2-year STDF project. The concerns expressed included the extended scope of the proposal, the lack of quantitative information about trade, the lack of proper action plans for the control of priority transboundary animal diseases, the scope for system strengthening and capacity building (including strengthening border control) in the project, as well as absence of consideration of the PVS GAP analysis. In addition, it was highlighted that the purchase of vaccines would not be eligible for STDF funding. The proposed procurement via LAVANET raises concerns about due consideration for internationally recognized quality assurance systems in the laboratory. The Working Group agreed to invite the applicant to revise the proposal - taking into account comments made by the Secretariat and the Working Group, and to resubmit the proposal for future consideration.

**9. Decisions on Financing and Prioritizing**

76. The Secretariat reported that no decision on prioritization was required since the available funds exceeded the funds required to implement the approved projects and PPGs.

**10. Other business**

77. The Secretariat welcomed Mr Thomas Westcot (USDA) as the new chair of the Working Group in 2011 and thanked the outgoing chair, Mr Rien Huige for effectively chairing the meetings in 2010.

78. The meeting closed at 5.30 p.m.

## Annex 1

## List of Participants

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