

## STDF PROJECT PREPARATION GRANT (PPG)

### APPLICATION FORM

The Standards and Trade Development Facility (STDF) provides grants (up to a maximum of US\$50,000) to assist eligible organizations in developing countries to develop full proposals for projects seeking to: (i) enhance capacity to meet official or commercial requirements in the sanitary and phytosanitary field and so facilitate market access; and (ii) better protect human and animal health and plants against disease and pest hazards related to cross border trade.

Complete details on eligibility criteria and other requirements are available in the *Guidance Note for Applicants* on the STDF website ([www.standardsfacility.org](http://www.standardsfacility.org)). Please read the *Guidance Note* before completing this form.

This form should be completed by eligible organizations interested in applying for STDF funding to develop a project proposal. It is designed to provide the STDF Working Group, which makes decisions on STDF funding, with an overview about the project you wish to develop. This form should be completed in English, French or Spanish.

<b>PPG Title</b>	<b>Promoting the effective participation of SADC Member States in the WTO SPS Committee</b>
<b>Budget requested from STDF</b>	USD 50, 000.00
<b>Full name and contact details of the requesting organization(s)</b>	SADC Secretariat, P/Bag 0095,  Gaborone, Botswana
<b>Full name and contact details of contact person for follow-up</b>	Ms Boitumelo Gofhamodimo, Director TIFI  Copy to: Dr Elsie Meintjies

#### I. Background and rationale

1. Provide an overview of the SPS situation and issues in the country or region, as appropriate. This should include a description of any SPS priorities or issues identified in the Integrated Framework's Diagnostic Trade Integration Study (DTIS), SPS-related capacity evaluations, national development strategies or policies, or other relevant documents. It should also describe the institutional framework for SPS management (see Qn. 7. A-C of the *Guidance Note* for further information).

The Southern African Development Community (SADC) started as Frontline States whose objective was political liberation of Southern Africa. SADC was preceded by the Southern African Development Coordination Conference (SADCC), which was formed in Lusaka, Zambia on April 01, 1980 with the adoption of the Lusaka Declaration (Southern Africa: Towards Economic Liberation).

The formation of SADCC was the culmination of a long process of consultations by the leaders of the then only majority ruled countries of Southern Africa, thus Angola, Botswana, Lesotho, Mozambique, Swaziland, United Republic of Tanzania and Zambia, working together as Frontline States. In May 1979 consultations were held between Ministers of Foreign Affairs and Ministers responsible for Economic Development in Gaborone, Botswana. Subsequently a meeting was held in Arusha, Tanzania in July 1979 which led to the establishment of SADCC.

On August 17, 1992, at their Summit held in Windhoek, Namibia, the Heads of State and Government signed the SADC Treaty and Declaration that effectively transformed the Southern African Development Coordination Conference (SADCC) into the Southern African Development Community (SADC). The objective also shifted to include economic integration following the independence of the rest of the Southern African countries.

SADC has fifteen Member States (MS), namely Angola, Botswana, Democratic Republic of Congo, Lesotho, Madagascar (currently suspended), Malawi, Mauritius, Mozambique, Namibia, Seychelles, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.

SADC has a population size of 277 million inhabitants (ranging from 0.9 million to 50 million per country) and a Gross Domestic Product of 471.1 billion US\$ (2010 statistics). With one exception, all SADC MS are members of the World Trade Organization (WTO). Seychelles is in the process of accession to the WTO.

SADC's mission is to promote sustainable and equitable economic growth and socio-economic development through efficient productive systems, deeper co-operation and integration, good governance, and durable peace and security, so that the region emerges as a competitive and effective player in international relations and the world economy.

The SADC Protocol on Trade, which has been in effect since January 2000, is one of the various regional mechanisms aimed at closer integration and cooperation among the MS. Its objective is to promote intra-regional trade through the elimination of customs duties and other barriers to trade.

The Sanitary and Phytosanitary (SPS) Annex to the SADC Protocol on Trade was approved by the SADC Ministers of Trade on 12 July 2008 in Lusaka, Zambia.

The objectives of the SPS Annex are:

- a) to facilitate the protection of human, animal or plant life or health in the territory of the Member States;
- b) to enhance Member States' implementation of the WTO Agreement on the Application of Sanitary and Phytosanitary Measures;
- c) to enhance regional capacity to implement and monitor SPS measures including promoting greater use of international standards and other matters concerning SPS;
- d) to provide a regional forum for addressing sanitary and phytosanitary matters; and
- e) to provide a forum for resolving trade related sanitary and phytosanitary issues.

As such, the SPS Annex aims to anchor the principles and procedures of the WTO SPS Agreement in the SADC region. The specific provisions, which are currently under review by MS, are derived from and very similar to those of the SPS Agreement.

Article 14 of the SPS Annex lays out the institutional arrangements for regional cooperation. Firstly, it establishes a regional SADC Sanitary and Phytosanitary Coordinating Committee (SADC SPS CC) to promote the objectives and monitor the implementation of the SPS

Annex. Secondly, each MS is required to establish a National Committee on Sanitary and Phytosanitary Measures and appoint a representative on the SADC Sanitary and Phytosanitary Committee. Thirdly, it foresees the establishment of Expert Working Groups in specific fields related to sanitary and phytosanitary measures. The SADC SPS CC reports to the SADC Trade Negotiating Forum.

Furthermore, Article 14 details the specific functions of the SADC SPS CC. These include:

- a) overseeing the implementation of SADC regional programs related to sanitary and phytosanitary measures;
- b) coordination, endorsement and harmonisation of SADC regional training and development activities in sanitary and phytosanitary related areas;
- c) coordinating the region's liaison with corresponding regional and international organizations;
- d) coordinating efforts to present common SADC positions in these organizations;
- e) following up international and regional SPS developments that might have potential consequences on trade of SADC MS.

Thus, promoting the effective participation of SADC Member States in the WTO SPS Committee contribute to the SADC SPS CC being able to fulfil the above functions.

Article 12 of the SPS Annex on Technical Assistance states that the SADC Secretariat shall, in consultation with the SADC SPS CC, facilitate resource mobilization for technical assistance to enhance MSs' capacity to implement and monitor sanitary and phytosanitary measures including promoting greater use of international standards.

In this legal and institutional context, the SADC SPS CC, the National Coordinating Committees, and the SADC Secretariat are well placed to work together to enhance the effective participation of SADC MS in the WTO SPS Committee. However, such an endeavour requires an assessment of the current level of participation, consultations with stakeholders, identification of gaps and needs, advance planning and organization, continuous monitoring, capacity building and funding to support it all.

Hence, the SADC Secretariat's request for a project preparation grant to assist in the formulation of a strategy and specific plan of action in this regard.

2. What key SPS problems and/or opportunities would this project preparation grant address? Explain the background to these problems/opportunities, their importance for the stakeholders concerned, particularly for market access and poverty reduction, and the expected benefits of developing a project in this area. See Qn. 7. D. of the *Guidance Note*.

This PPG is requested to strengthen the capacity of SPS authorities in SADC Member States to be able to effectively implement their SPS obligations and assert their rights as WTO Members. SADC MS require strategic guidance and support to develop and implement procedures and processes to arrive at national and regional SPS positions, and to build capacity for effective engagement on SPS issues at the regional and international level. This includes strategic guidance and advice to engage relevant public and private sector stakeholders at the national level, to monitor and respond to SPS requirements and standards that affect SADC MS, to effectively prepare for, participate in and ensure necessary follow-up to national, regional and international meetings focused on SPS.

SADC MS have, thus far, not been active participants in the WTO SPS Committee. Since 1995, there have been a total of only 28 written communications to the WTO SPS Committee from eight of the fifteen SADC MS. Considering that the Committee has seen the

circulation of more than 2100 documents during this period, SADC MS communications constitute a very small percentage. SADC MS could use the forum of the SPS Committee more regularly to communicate SPS-related developments in their countries/regions as well as their positions on various decisions and procedures eventually adopted by the Committee. Similarly, only two SADC MS have so far used the Committee's procedures for raising three specific trade concerns while the total number of concerns raised by WTO Members has surpassed 330. SADC MS could potentially use the Committee's tools and procedures more actively for raising their trade concerns. While systematic and statistical data on physical attendance and interventions by MS has not been gathered so far, there is usually very limited funding allocated for this purpose in national budgets and it is quite clear that there is also room for improvement in this regard.

The SADC Secretariat finds that many of its MS are simply not up-to-date with what is occurring in the SPS Committee meetings and lack confidence in presenting their national positions at global arenas such as the WTO. When should they make interventions? Which trade concerns should they be supporting? Which negotiating position is in their strategic interest? While past WTO workshops in the sub-region have increased knowledge among selected officials about the provisions of the SPS Agreement, challenges remain to translate and apply this legal knowledge in practice as a means to enhance market access.

SADC Member States also have difficulties in arriving at national and regional positions. Although national coordination mechanisms have been set up in SADC MS, in general, their outputs are not feeding into the Geneva process. The development of a strategy to support procedures/processes for MSs to arrive at national and regional positions is needed in the region.

There is often a lack of coordination and communications between the relevant ministries in SADC capitals with their Geneva-based counterparts. The ensuing project could help institutionalize better communication and explore ways to enable capital-based officials in SADC MS to make better use of the SADC Secretariat and Geneva-based delegates in WTO missions to monitor and participate in the SPS Committee.

SADC is interested to learn from the successful experiences in Latin America, facilitated by IICA, which successfully enhanced participation in the SPS Committee. The "IICA model" is of interest to help SADC countries move from "passive" to active and effective participation in the SPS Committee. There is substantial potential for SADC MS to collaborate and to strategically focus their limited human and financial resources in order to maximize the benefits of their interventions in regional and international SPS processes.

With respect to transparency requirements, all SADC Member States, which are also WTO Members, have informed the WTO Secretariat of their designated SPS Enquiry Points and Notification Authorities. While Enquiry Points and Notification Authorities have been designated, it is unknown to what extent they are operational and empowered to undertake their tasks. With respect to notifications, four Member States have not submitted any notifications so far. Ten MS have submitted at least one notification. However, seven of these ten Members have submitted four or less notifications since the entry into force of the SPS Agreement 17 years ago. Interestingly, the last notification from five of these Members arrived more than eight years ago. SADC MS are likely to have taken more SPS measures affecting international trade in the past 17 years than indicated by these figures.

Apart from the "visible" aspects of participation in the SPS Committee and submission of documents and notifications, it is not clear to what extent developments at the SPS Committee or notifications are being followed at the national level for possible action and dissemination. The SADC Secretariat is of the view that this is an area that would benefit

from the project by tying in WTO notification requirements (both submitting and analysing other country's notifications). All of these factors would obviously need to be studied during the development phase.

The SADC Secretariat was granted ad hoc observer status in the SPS Committee in 2011. Since then the Secretariat has been able to attend two (2) meetings.

The SADC SPS Coordinating Committee (SADC SPS CC) held its inaugural meeting in July 2011 in Gaborone, Botswana. The first meeting provided an opportunity to focus on the structure and procedures of the SADC SPS CC, where MSs committed to work with the existing SADC regional Expert Working Groups (EWGs) in Food Safety, Plant Protection and Animal Health. This Committee is at the initial stages of establishing its structure, procedures and strategy. The same applies to the National Coordinating Committees.

All SADC MS have established their National SPS Committees as mandated by the SPS Annex to the SADC Trade Protocol, sometimes building on existing structures. However, the level of engagement and activity emanating from these national coordinating bodies varies significantly over time and among the MS. It is a challenge to maintain a certain momentum to the work and output of national coordinating bodies.

Despite the formal structures that have been created the structures need to be operationalized for the coordination of SPS related issues within the SADC region. While building blocks in terms of relevant government departments, private sector entities and other relevant institutions exist, information sharing, communication and effective coordination for best possible benefits will require the leadership of the newly established SADC SPS Coordinating Committee.

In moving forward with a project proposal to enhance the effective participation of SADC MS, it will be important to take a more detailed and systematic look at the current state of affairs of SADC MS, identify particular areas of difficulty, and use this information as a baseline.

Promoting the effective participation of SADC MS in the WTO SPS Committee is expected to have the following results:

- Improved understanding and implementation of the provisions of the WTO SPS Agreement
- Enhanced awareness and knowledge of the discussions and procedures of the SPS Committee through pre-meeting briefings, actual participation and post-meeting debriefing sessions
- Ease of access to up-to-date regulatory, institutional, and technological developments around the world
- Better identification of areas for further enquiry, research, and technical assistance
- A clear and continuous mandate and impetus for the SADC SPS CC and the National Coordinating Committees
- Enhanced regional coordination and cooperation in addressing trade problems, which is expected to have spill-over effects in other SPS-related issues
- More effective and focused coordination at the national level
- A proactive approach to addressing SPS-related trade problems
- A stronger network among SPS officials of the SADC MS and also with SPS officials of other WTO Members and the WTO Secretariat

Ultimately, these results are expected to contribute towards better market access conditions for SADC exports, hence more economics opportunities for SADC citizens. At the same

time, they will assist MS in the protection of human, animal and plant life and health in their respective constituencies.

3. Which government agencies, private sector, academic or other organizations support this PPG request? Letters of support from each of these organizations must be attached (Appendix 1). See Qn. 7. E. of the *Guidance Note*.

Government agencies include Ministries of Agriculture, Health, Trade, Industry and Commerce. Letters of support have been obtained from 12 Member States and forwarded to the STDF Secretariat.

4. Are the activities to be carried out under this PPG related to any past, present or planned bilateral or multilateral donor projects and programmes? If so, identify the related activities below and explain how the PPG would complement and build on them. See Qn. 7. F. of the *Guidance Note*.

The overall objective of the European Union (EU)-funded Food Safety Capacity Building on Residue Control Project, which ended on 16 March 2012, was to promote regional trade through regional integration and greater access by SADC MS exporters to the EU and world markets for agricultural products (including livestock and fisheries). It assisted SADC MS to develop capacity to comply with Codex and OIE standards, guidelines and recommendations related to control system harmonization, legislation, certification, inspection, information, communication, risk analysis, outbreak management and data collection. The project worked at the regional level on developing a structure for dealing with SPS issues and guidelines for regulation of veterinary drugs, plant protection and SPS matters, and at a national level on strengthening laboratories' capacity for dealing with SPS issues and providing training to them. It was in the context of this project that most National Coordinating Committees were established in SADC MS. The proposed project will build on what has already been achieved under this EU project.

The PANSPSO (Participation of African Nations in Sanitary and Phytosanitary Standard-setting Organizations) project implemented by AU-IBAR aims to enhance the effective participation of African countries in the standard-setting organizations of Codex, IPPC, and the OIE. It also assists with the participation of representatives of African Regional Economic Communities in the meetings of these organizations and of the SPS Committee. In 2011-2012, the project funded the participation of a SADC Secretariat representative in two (2) meetings of the SPS Committee. The proposed SADC project would be complementary to the PANSPSO project.

It is expected that the EU-funded Regional Economic Integration Support (REIS) programme will provide significant funding for SPS-specific activities at SADC as of April 2013 for a period of four years, including for the appointment of an SPS Programme Officer at the SADC Secretariat, development and implementation of identified regional SPS guidelines, sensitisation workshops, contracting of studies and support for the meetings of the SADC SPS CC. The proposed project would strengthen the EU-REIS project as dedicated resources could be allocated specifically to the effective participation of SADC MS in the WTO SPS Committee. The REIS programme makes no provision for participation of SADC Member States in the WTO SPS Committee.

The experience gained and lessons learned from the implementation of the Initiative for the Americas project will be useful in devising this similar project, which will focus on the SADC region instead. The objective of the successful Americas project was to promote the active participation of the countries of the Americas in the WTO SPS Committee. It was funded by IICA and the USDA and supported the participation of 32 countries in 15 consecutive meetings of the SPS Committee over a period of 5 years while also assisting with institutional and human capacity building in the Americas.

5. Have you discussed this PPG request – or funding for the project proposal which would result from it – with any potential donors (bilateral, multilateral, Enhanced Integrated Framework, etc.)? If so, provide information below and indicate any potential sources of funding for the project to be developed through this PPG. See Qn. 7. G. of the *Guidance Note*.

This PPG request relates specifically to the participation of Member States in the WTO SPS Committee meetings, in order to build regional capacity. This proposal has not been discussed with potential donors other than the STDF.

## **II. Implementation**

6. What are the expected start and end dates for this PPG?

Three months (13 working weeks) from the award of the project grant.



7. What activities would be carried out under this PPG? Provide a description of each activity below, specifying the persons / offices responsible, as well as the completion dates and expected outputs.

No.	Activity	Responsible	Completion date	Expected output
1.	Development of a Strategy to enhance effective participation of SADC MS in WTO SPS Committee meetings, supporting procedures/processes for participating MSs to arrive at national and regional positions for effective participation at regional and international level. The Consultant will be expected to analyse past participation of SADC MS in the WTO SPS Committee.	Consultant/SADC SPS CC/SADC Secretariat	Weeks 1 – 8	Strategy, procedures/processes to enhance effective participation of SADC MS in WTO SPS Committee
2.	Submission of report to SADC Secretariat	Consultant	Week 9	Draft Report
3.	Submission of comments from SADC Secretariat and updating of report by Consultant	SADC Secretariat	Week 10	Revised draft report
4.	Translation of report in to French and Portuguese	SADC Secretariat/STDF	Week 11	Translated documents
5.	Review by the SADC SPS CC of the proposed strategy for effective participation at the WTO SPS Committee (e-mail, Skype)	SADC SPS CC	Weeks 12 - 13	Comments for consideration and possible inclusion in project proposal
6.	Final Report incorporating contributions from SADC SPS CC	Consultant	Week 14	Final report which can be used to develop a fully fledged project proposal for SADC MS to effectively participate in the WTO SPS Committee.

8. List all the stakeholders (government, private sector, academia, etc.) that may have an interest in this PPG and the resultant project. Explain how will they be consulted and involved during the implementation of the PPG (e.g. interviews, validation workshops, etc.).

Stakeholders that have an interest in this PPG and the resultant project include:

SADC SPS Coordinating Committee  
SADC Member States National SPS Committees  
Ministries of Agriculture, Fisheries, Health, Trade, Industry and Commerce and relevant departments  
National Codex Committees  
Laboratories through Laboratory Associations  
National Standards Bodies  
Relevant private sector in each Member State

Involvement will be by way of telephone, SKYPE, e-mail communication and/or interviews.

9. Who will take the lead in the development of the project proposal under this PPG? If you propose national experts and/or international consultants for this task, provide their full name and contact details below. A Curriculum Vitae and record of achievements for each person proposed should be included in Appendix 2. If no names are provided, the STDF will provide a shortlist of consultants if the PPG request is approved.

Dr Elsie Meintjies, Senior Programme Officer, SADC Secretariat, will facilitate and coordinate the project.

STDF to propose name of experienced Consultant.

### III. Budget

10. What is the total estimated budget (in US\$) required for this PPG? Specify the amount that is requested from the STDF and the in-kind contribution (if any). Complete the budget table below.

Item	Description of inputs required	Estimated budget (US\$)
<b>Expertise</b> <i>If used, include national or international consultants</i>	Desktop study, development of proposed strategy and action plans, proposal writing and presentation	USD 30 000.00
<b>Travel</b> <i>If appropriate, include international flights for consultants (economy class), in-country travel, Daily Subsistence Allowance, etc.</i>	Travel for the consultant (travel and subsistence allowance)	USD 20 000.00
<b>General operating expenses</b> <i>If appropriate, include telephone calls, photocopying, etc.</i>		Cost of telephone calls, internet connection and photocopying as required by Consultant included in cost of expertise. General correspondence to MSs can be done via the SADC Secretariat
<b>Other costs (describe)</b>		
<b>Total</b>		<b>USD 50,000.00</b>

**Appendix 1:** Letters of support from organizations supporting this proposal to be supplied by Member States following consultation at meetings of 24-27 July 2012 in South Africa.