

15 June 2018

Terms of Reference

Preparation of a project proposal to strengthen the national food control system in Kiribati, with particular attention to the fish sector

A. Background

1. The Republic of Kiribati with a population of 110,000 is an LDC and one of the most isolated small island states in the Pacific. The majority of the population is engaged in farming and fishing activities for living. The fisheries sector is crucial for the country, contributing substantially to the national economy. The country has established export markets for fish in Japan, the US, New Zealand, Australia, the EU and Nauru through its main fish processor, Kiribati Fish Ltd (KFL), which directly employs around 300 people and supplies fish from local suppliers. The Government's medium and long-term strategies (Kiribati Development Plan 2016-2019, Kiribati 20-Year Vision) emphasize the need to use the fisheries sector as a vehicle for sustainable economic development and poverty reduction, through creation of employment, especially for women and the youth. The Government, as part of its trade policy agenda, is also working towards improving market access opportunities for fish exports, especially to the EU market. In this context, the Government with support from the EU established a Fisheries Competent Authority (the Seafood Verification Agency) to oversee the safety of fish exports.

2. The SPS system in Kiribati is underdeveloped and scattered among the three main Authorities namely, Ministry of Environment, Lands and Agricultural Development (MELAD), Ministry of Health and Medical Services (MHMS) and the Sea Food Verification Agency of the Ministry of Fisheries and Marine Resource Development (MFMRD). Kiribati faces a number of food safety challenges including limited human resources, inadequate technical skills and inadequate infrastructure including laboratories. In the public sector, testing capacities are limited to the health laboratory (water microbiology tests). A few enterprises like the KFL and the Kiribati Coconut Development Limited (KCDL) have set up basic testing capacities. Operators, in both the private and public sectors, outsource most of their tests, even simple ones that can be done domestically, from laboratories in the region (USP lab in Fiji, and labs in New Zealand). This creates significant constraints to their activity because of extra cost (shipment of samples) and delays.

3. The Diagnostic Trade Integration Study (DTIS) of Kiribati highlighted the need to develop SPS capacity. The need to restructure the SPS system (and develop lab-testing capacity) was also emphasized by the Government in its National Quality Policy of 2017.

4. In March 2018, the STDF Working Group approved a project preparation grant (PPG) focused on strengthening the national food control system in Kiribati to facilitate fish exports. The PPG was requested by the Ministry of Commerce, Industry and Cooperatives (MCIC) of Kiribati. It was developed in consultation with the Sea Food Verification Agency, which provided a letter indicating its support for the PPG and commitment to collaborate fully in its implementation. Additional letters of support were provided by the MHMS and Kiribati Chamber of Commerce and Industry.

5. In approving this application, the STDF Working Group made a number of recommendations including to: (i) clarify the scope of deliverables and revise the budget; (ii) coordinate closely with relevant government agencies in Australia and New Zealand given their potential support for SPS capacity building in Kiribati and synergies to the Pacer Plus Agreement; (iii) consult other relevant donors (including the European Commission, Enhanced Integrated Framework, etc.) about their ongoing and upcoming programmes and explore funding opportunities for the resulting project, (iv) during the feasibility study, consider both regional and national options to resolve the issues related to laboratory capacity and access; (v) ensure

synergies with the ongoing STDF PPG on development of an SPS Platform for the Pacific (STDF/PPG/461); and (vi) consider relevance and linkages to the Minamata Convention on Mercury and the development of Codex standards on methyl mercury in predatory fish.

6. This document sets out the Terms of Reference (TORs) for implementation of the PPG by the Consultant, in collaboration with the MCIC, taking into account the recommendations of the STDF Working Group.

B. Objectives and expected results of the PPG

7. The PPG responds to food safety capacity building needs identified in the National Quality Policy and DTIS. The main purpose is to assess the feasibility of upgrading food safety and laboratory capacity and to develop a project proposal that builds capacity to comply with food safety requirements for fish exports to international markets. The feasibility study will explore and recommend different options (including national and regional solutions) to strengthen laboratory capacity and provide access to tests needed to demonstrate compliance of fish exports to requirements in overseas markets. It will assess the costs and benefits of these options, as well as their economic viability and sustainability. This feasibility study will serve as a strong evidence base for the proposed project.

C. Role and responsibilities of MCIC

8. Given its role in coordinating implementation of the National Quality Programme, MCIC will play a key role in supporting implementation of this PPG in close collaboration with other relevant government authorities (notably the Seafood Verification Agency and the MHMS) and concerned private sector stakeholders (particularly KFL).

9. MCIC will select a Consultant (based on a short-list provided by the STDF) to carry out the feasibility study and project development work. The Consultant will be contracted by the STDF. The Consultant will work closely with the National Trade Advisor in the Quality Promotion Division of the MCIC.

10. MCIC will provide all necessary support to enable the Consultant to successfully deliver on his Terms of Reference. This will include the following:

- Provide the Consultant with substantive inputs to carry out the feasibility study and draft and finalize the project proposal to strengthen food safety and laboratory capacity
- Ensure that all relevant stakeholders in government, international organizations, donors, private sector, etc. are invited to participate in stakeholder workshops organized under the PPG and encouraged to provide their views and observations on the project to be developed.
- Enable national experts (including the National Trade Advisor) to provide technical guidance and support to implement the PPG, deliver the above-mentioned outputs
- Consult members of the Quality Coordination Sub-Committee and the National Trade Advisory Committee (NTAC) to get their views and inputs on the feasibility study and draft project document, and to enhance national ownership of the resulting project.
- Review and provide technical comments and feedback on draft versions of the feasibility study report, project proposal and other documents, prior to their introduction at the national stakeholder workshop and prior to the submission of the final documents to the STDF.
- Provide guidance and advice to ensure that the approach in the proposed project is technically sound, realistic, coherent, and complementary to other relevant activities.

- Obtain letters of support for the resulting project proposal from key public and private sector stakeholders in Kiribati. As appropriate, these letters should include a clear expression of support for the proposed project, and demonstrate clear commitment to take actions needed to ensure the success and sustainability of the proposed project.
- Organize and help to facilitate meetings and workshops organized during implementation of the PPG, including a stakeholder workshop to discuss the results of the feasibility study and draft project proposal. This will include preparation of the workshop agenda, distribution of invitations, preparation of logistics for the workshop and preparation and distribution of a document outlining the project concept.

D. Role and responsibilities of the Consultant

11. Under the overall supervision of the STDF Secretariat, and in close collaboration with the MCIC and other relevant stakeholders in Kiribati, the Consultant will carry out the following tasks:

- Collect and review relevant research and project documents as well as any relevant existing training materials related to food safety and laboratory capacity in Kiribati as well as market access for fish and fish products, which could inform the feasibility study and project development work.
- In collaboration with MCIC, identify and consult key public and private stakeholders, donors and international organizations involved in activities of relevance to this PPG and/or the resulting project. During these interviews, include discussions on: (i) priorities to be addressed within the project proposal and opportunities for the resulting project to support national objectives; (ii) how to build on the experiences, results, lessons and/or recommendations and ensure synergies with other projects to improve food safety and laboratory capacity in Kiribati; and (iii) capacities and needs of government and private sector to meet food safety and other requirements in export markets.
- Prepare agendas for meetings (e.g. debriefing meeting with national authorities, project validation workshops) and write summaries of meetings/workshops, including key comments and feedback received, for circulation to participants.
- Discuss opportunities for synergies with other related initiatives including the STDF PPG on an SPS Platform for the Pacific (STDF/PPG/461) and the STDF project in the Solomon Islands, as well as planned support by Australia and New Zealand under the PACER Plus Agreement.
- Consult other relevant donors (Australia, New Zealand, European Commission, Enhanced Integrated Framework, etc.) about their ongoing and upcoming programmes in Kiribati, and actively seek funding for the resulting project.
- Draft the feasibility study based on the research, analysis and stakeholder consultations. Depending on the findings of the feasibility study, and further discussions with the STDF Secretariat and MCIC regarding its recommendations and follow-up, prepare a project document.
- Present the findings of the feasibility study and draft project document to relevant stakeholders (public sector authorities, private sector, development partners, etc.) at validation workshops and, on the basis of feedback received, make any further revisions necessary to improve and finalize the proposal.

12. The Consultant will deliver the following outputs under this PPG:

- i. **Feasibility study** that analyses the existing food safety and laboratory capacity, challenges and capacity building needs and assesses impacts and economic viability of the proposed project in terms of expected costs and benefits. The feasibility study should:
 - Include an overview and analysis of the financial and capacity building needs for upgrading food safety and laboratory knowledge and skills as well as any other costs associated with building laboratory infrastructure, buying testing equipment and/or filling other gaps which need to be addressed to implement improved food safety management systems.
 - Analyse regional and national options to resolve issues related to access to laboratory tests, and consider costs and benefits of those options.
 - Identify and analyse opportunities to expand exports of fish and fish products from Kiribati to existing and new markets, including food safety and other key requirements of these markets.
 - Take into account of the specific context, challenges and needs in Kiribati as a small island developing state (e.g. geography, socio-economic aspects, financing, sustainability, value chains, etc.), existing infrastructure (laboratory, food safety system etc.), financing and sustainability, as well as the market/SPS requirements in existing/prospective markets.
 - Responding to public health and safe trade concerns related to fish and fish products, seek to integrate the recent developments about the Minamata Convention to decrease exposure to methyl mercury and the preparation of Codex standards on methyl mercury in major predatory fish.
 - Provide advice to consider national policies and legal instruments relevant to food safety system that include identifying the need for further work to amend existing policies/legislations and/or drafting new ones, as necessary.
 - Explore and identify options to pursue a public-private partnership approach to improve food safety and laboratory capacity in the fisheries sector, and to leverage private sector support / resources for the resulting interventions.
 - Explore and develop options for integrating agri-food laboratory testing services considering the need to develop a centralised analytical laboratory as recommended in the National Quality Policy (NQP).
 - Include a strategic mid-term plan with costing for SPS-related human capacity development of the national laboratory.
- ii. A complete **project proposal** to strengthen food safety capacity and promote fish exports based on the findings of the feasibility study and consultations with relevant stakeholders. The decision on whether or not to proceed to the stage of drafting a project document would be made in consultation with the STDF Secretariat and MCIC, based on the findings and recommendations of the feasibility study. The project proposal should:

- Take into account the needs of concerned stakeholders (e.g. national government authorities, private sector stakeholders, etc.), as well as the national / regional options and requirements (e.g. financing, human resource needs, etc.) to improve food safety capacity to promote fish exports.
 - Clearly elaborate, based on consultation with the stakeholders, the purpose, scope, specific objectives, and expected outcomes, outputs and activities of the proposed project, based on a coherent logical framework. The logical framework should include indicators to measure performance, sources of verification and any key risks and assumptions.
 - Clearly identify the roles and responsibilities of all concerned public and private stakeholders, and outline a practical mechanism for project implementation and management.
 - Identify linkages, synergies and complementarities to relevant (past/ongoing/planned) activities and projects supported by donors and development partners with an interest in fisheries development and trade in Kiribati (notably European Union, EIF, New Zealand, Australia) and explore opportunities to leverage funds to implement all or part of the project to be developed. Based on these discussions, the project proposal may be written in the format/template of one of these potential donors.
 - Include a detailed estimate of the budget required to implement the proposed project and, where possible, identify possible donors and/or private sector support.
 - Consider cross-cutting issues related to gender and environmental aspects of the proposed project.
 - Include a detailed work plan and timetable for project implementation.
 - Identify and assess the possible risks and challenges faced in the proposed project, as well as risk mitigation strategies to ensure its success and sustainability.
- iii. A **short report** on the implementation and outcomes of this PPG to be submitted to the STDF within one month of its completion. This report should describe the activities implemented, the results achieved, and the key stakeholders involved and/or consulted. It should also attach copies of relevant documents produced under the PPG. Any documents related to SPS capacity building in Kiribati, identified during the work under this PPG, should be provided to the STDF for inclusion in the STDF Virtual Library.

E. Qualifications of the consultant

The consultant is expected to possess the following qualifications and skills:

- a) Advanced degree in food safety and trade.
- b) At least 7 years of work/project experience in developing countries on food safety projects, including work on SPS and laboratory capacity building according to internationally-recognized good practices.
- c) Prior experience in designing or implementing similar projects in other developing countries.
- d) In-depth knowledge about SPS and food safety requirements related to export of fish and fish products to high-income countries including EU, US, Australia, New Zealand, Japan or other developed economies.

- e) Proven ability to work effectively with diverse stakeholders / experts in developing countries (including trade specialists, farmers, industry associations, and international organizations).
- f) Previous experience in developing similar types of projects in developing countries including Small Island Developing states and successfully raising funds.
- g) Experience in the Pacific Islands Countries would be advantageous

F. Timeframe

The planned starting date is 9 July 2018 with an expected completion date of 28 February 2019.