

## Terms of Reference

### Preparation of a project proposal for a pilot animal identification and traceability system in Mongolia

#### Background

1. Agriculture in Mongolia is heavily dependent on livestock production. Mongolia has more than 50 million head of livestock. There are approximately 210,000 herding households in Mongolia's 22 provinces and 336 "soums". Revenues from livestock production are low and over 50% of herding households live in poverty. Exports of animal products have declined significantly in the last 40 years due to various problems. These include low productivity, unclear or unstable animal health status (partly due to inadequate animal disease surveillance, lack of movement control and reliable animal identification and registration required to support animal health management, food safety and zoonoses control), withdrawal of state investment in livestock-related infrastructure, low-value animal products. There is limited scope for growth in the domestic market for livestock products. However, opportunities exist to expand exports of animal products as a means to reduce poverty among herders.

2. In October 2015, the STDF Working Group approved a project preparation grant (PPG) focused on animal identification and traceability in Mongolia, which was requested by Sustainable Development Consulting, Mongolia. The PPG application was developed in consultation with the Department of Veterinary and Animal Breeding Services (DVAB) in Mongolia, which provided a letter indicating its support for the PPG and commitment to collaborate fully in implementation of the PPG. Additional letters of support were provided by the Ministry of Food and Agriculture and the Mongolian Meat Association. The purpose of the PPG is to develop a project proposal for an animal identification and traceability system, for consideration by the STDF and/or other donors.

3. Animal identification and traceability (AIT) are tools for addressing and managing animal health (including zoonoses) and food safety issues. AIT systems play a key role in animal health and disease control. When well-designed and implemented, AIT systems can significantly improve veterinary capacity in several areas (e.g. management of disease outbreaks and food safety incidents, vaccination programmes, herd/flock husbandry, zoning/compartmentalisation, surveillance, early response and notification systems, animal movement controls, inspection, certification, etc.).<sup>1</sup> As noted in the STDF Working Group meeting in October 2015, animal identification and registration is the basic component of the system and traceability is the next component needed to access export markets.

4. In approving this application, the STDF Working Group recommended that the Department of Veterinary and Animal Breeding (DVAB) should be fully engaged in implementation of the PPG to ensure the ownership and sustainability of any AIT system to be developed and implemented under the resulting project. Members of the Working Group concurred with other issues raised in the Secretariat's review of the application including, but not limited to, the recommendations to: (i) reconsider the composition of the PPG team; (ii) engage an international consultant to provide technical advice; and (iii) review and revise the budget based on the Terms of Reference for the PPG (within the scope of the total available amount of US\$50,000).

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<sup>1</sup> OIE Terrestrial Animal Health Code 2010. Chapter 4.1. See: [http://web.oie.int/eng/normes/mcode/en\\_chapitre\\_1.4.1.pdf](http://web.oie.int/eng/normes/mcode/en_chapitre_1.4.1.pdf)

5. There was agreement that this PPG should be used to prepare a proposal for a project to pilot an AIT system in a clearly defined and limited geographic area in Mongolia. The pilot area targeted in the resulting project would be identified as part of the work carried out under this PPG. Key tasks under the PPG will include work to: (i) clearly define the objective(s) of the AIT system to be piloted under the resulting project; (ii) clearly defines its scope (i.e. the animal species/product(s), production areas, export markets targeted, etc.); (iii) identify the needs (financing, human resources, equipment, material, IT requirements, etc.) of an AIT system and incentives for its use by concerned stakeholders; (iv) assess the options to develop and scale-up a multipurpose and modular AIT system; (v) consider national policies and legal instruments relevant to an AIT system including the need for further work to amend existing ones and/or draft new ones, as necessary; and (vi) make the business case for the maintenance and sustainability of the proposed AIT system.

6. The project proposal should outline an overall design, strategy and implementation plan for an AIT system (that could subsequently be scaled-up, for instance to record movements within and/or across soums). The proposed design of the AIT system would consider the entire country (or at a minimum important/substantive livestock populations / value chains), while the pilot project (to be developed under this PPG) would implement the AIT system in a clearly defined and limited geographic area. The pilot project will provide an opportunity to test the AIT process and technology options selected, identify opportunities to adjust and fine-tune the system (as necessary), and make recommendations for its future roll-out and upscaling across the country or in a selected area of value chain.

7. The STDF Working Group recommended that during implementation of the PPG, it would be important to take account of what has worked and not worked so well in DVAB's efforts to introduce animal registration/identification in intensive farming in Mongolia to date, and learn from other relevant experiences (successes and failures) with animal identification and traceability systems in other countries facing similar challenges (e.g. climate, geography, nomadic production systems, etc.). In this context, the team implementing the PPG should make use of existing guidelines and good practices related to AIT systems including FAO's Guidelines for the Development of Integrated Multipurpose Animal Recording Systems<sup>2</sup> and any other relevant guidance (e.g. materials developed by the International Committee for Animal Recording). Concerted efforts should also be made to ensure synergies with other relevant projects supported by development partners and donors.

8. This document sets out the Terms of Reference (TORs) for implementation of the PPG by Sustainable Development Consulting. It addresses the recommendations of the STDF Working Group, and clarifies the scope of work to be carried out under the PPG. As recommended by the Working Group, the STDF will engage an International Consultant to provide technical support and advice to support the development of a project proposal as part of this PPG.

### **Implementation of the PPG**

9. Sustainable Development Consulting will take the lead on the implementation of this PPG in close collaboration with the DVAB and an International Consultant, to be selected in consultation with Sustainable Development Consulting and DVAB, and contracted separately by the STDF. Indicative TORs for this consultant are attached in Annex 1.

10. Sustainable Development Consulting will create a local team to implement the PPG that includes relevant technical expertise, including on animal identification, registration and traceability, veterinary legislation, as well as IT and trade/SPS expertise. SDC will also create a

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<sup>2</sup> See: <http://www.fao.org/3/a-at517e.pdf>

Working Group – inviting representatives of key government and private sector (e.g. herders' organizations, animal transporters, abattoir and veterinary associations) stakeholders with an interest in the AIT system – to provide inputs and advice to activities carried out under this PPG, and give feedback on the proposed AIT system and pilot project.

11. The work to be carried out under the PPG will comprise two main components:

- Component 1: Definition of the objectives(s) and scope of the proposed AIT system.
- Component 2: Based on the defined objective and scope of the proposed AIT system, development of a complete project proposal that includes a rough outline / design of the proposed AIT system and modalities to implement this system in a step-wise manner (starting with a clearly defined and limited geographic area). The proposed design should take into account the needs and requirements of concerned stakeholders (e.g. herders, meat processors, traders, slaughter houses, vets, national government authorities, trading partners, etc.), as well as the options and requirements (e.g. financing, human resource needs, IT, review/drafting of policy/legislative documents, etc.) to develop and scale-up a multipurpose and modular AIT system, socio-cultural considerations linked to particular animal identification approaches (e.g. antipathy against ear-tags).

### **Description of tasks**

12. Under the overall supervision of the STDF Secretariat, and in close collaboration with the Department of Veterinary and Animal Breeding (DVAB), the International Consultant contracted separately by the STDF, and other relevant stakeholders in Mongolia, Sustainable Development Consulting will carry out the following tasks:

- i. Hold in-depth consultations with the DVAB in order to fully understand, learn from and build on: (i) the findings and recommendations from the OIE PVS evaluation (2007) and GAP analysis mission (2010), as well as any other studies relevant to the establishment of an animal identification and traceability system; (ii) DVAB's past work on animal registration in intensive farming. These consultations should seek to ensure DVAB's full commitment to the proposed project, including agreement on the specific role of DVAB and other key stakeholders in the resulting project.
- ii. Identify and analyse current and potential export markets for animal products from Mongolia, as well as the specific sanitary/food safety (and any other) requirements in those markets.
- iii. Clearly identify, in consultation with the DVAB, the specific objective(s) and scope of the proposed AIT system (see para. 5 and 6 above).
- iv. Consider the options to implement an AIT system on a step-wise basis (addressing financing options and sustainability concerns), taking account of incentives for herders to make use of the AIT system, the animal health situation, animal population parameters (species and breeds, numbers, distribution, etc.), the nomadic production system, animal movement patterns, available technologies, trade in animals and animal products, SPS requirements/needs, any other relevant factors (economic, geographic, environmental and cultural, etc.).
- v. Consult relevant public (including the State Animal Inspection Agency) and private sector stakeholders about the proposed project. Based on the focus of the AIT system to be developed, survey relevant stakeholders (e.g. Mongolian Meat Association, traders,

exporters, slaughterhouse representatives, local vets, etc.) to assess their needs/views related to the proposed AIT system. The survey should collect information relevant to the development and implementation of the proposed AIT system. It should inform the options to capture, connect and translate information (e.g. on health status, breeding, farm etc.) related to the objective(s) and scope of the proposed AIT system into an IT system.

- vi. Consult international organizations, development partners and donors with an interest in livestock development and trade in Mongolia (notably FAO, OIE, the World Bank, European Commission, Switzerland, Asian Development Bank), as well as other potential donors (e.g. Oyu Tolgoi Mining) to explore opportunities to leverage funds to implement all or part of the project to be developed through this PPG. Based on the outcomes of these discussions, and the likelihood to secure donor-funding, the project proposal produced may be written in the format/template of one of these potential donors (rather than the STDF project template).
- vii. Based on further discussions with the DVAB and International Consultant, formulate a full proposal for a pilot project to develop and implement an AIT system (that may subsequently be scaled-up) in a targeted, clearly defined and limited geographic area, under the responsibility and oversight of relevant government authorities. It should:
  - a. Take account of and build on what has worked (and not worked so well) in animal identification/registration/traceability to date in Mongolia, and learn from experiences (successes and failures) with animal identification and traceability systems in other countries facing similar challenges (e.g. climate, geography, nomadic production systems, etc.);
  - b. Clearly identify the roles and responsibilities of all concerned public and private stakeholders (recognizing the critical role and responsibility of the DVAB in both implementation and data management), and outline a practical mechanism for project implementation and management.
  - c. Address key issues to the success and sustainability of the proposed AIT system, including financing, incentives for herders to use the system, the need for an enabling legal framework based on relevant international standards and obligations.
  - d. Identify linkages, synergies and complementarities to related (past/ongoing/planned) activities and projects supported by donors and development partners in Mongolia.<sup>3</sup>
  - e. Include a detailed estimate of the budget required to implement the proposed project and, where possible, identify possible donors and/or private sector investors.
  - f. Include a detailed work plan and timetable for project implementation.
  - g. Clearly elaborate the objective, 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 assumptions.
  - h. Identify and assess the possible risks and challenges faced in the proposed project, as well as risk mitigation strategies.

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<sup>3</sup> Including, but not limited to, the EU funded project "Support to Modernization of Mongolia's Standardization system", EU-funded Support to Employment Creation in Vegetable and Livestock Sector (which will include a component on meat), the Swiss-funded Livestock Health Project, the ADB's CAREC project, etc.

- i. Consider the gender and environmental aspects of the proposed project,
  - j. Address issues related to the cost-effectiveness of the proposed AIT system, and investigate funding arrangements for operating costs and any further investments needed to assure sustainability of the AIT system following completion of the pilot project.
  - k. Attach letters of support for the proposed project from key public and private stakeholders. 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.
- viii. Discuss the initial draft project proposal with the DVAB and International Consultant, and on the basis of comments and suggestions received, revise the proposal.
- ix. Present the revised draft project document to relevant stakeholders (public sector authorities, private sector, development partners, etc.) at a validation workshop and, on the basis of feedback received, make any further revisions necessary to improve the proposal.
- x. Facilitate all meetings during implementation of the PPG, lead interviews, prepare agendas for meetings (e.g. debriefing meeting with national authorities, project validation workshop) and summaries of meetings for circulation to participants.
- xi. Finalize the proposal on the basis of all comments received on successive versions of the project document.
- xii. Provide a short written report on the implementation and outcomes of this PPG to the STDF within one month of its completion. This report should describe the activities implemented, the results achieved, and the key stakeholders who were actively involved and/or consulted. It should also attach copies of relevant documents produced under the PPG. Any other documents related to SPS capacity building in Mongolia, identified during the research work for this PPG, should be provided to the STDF for inclusion in the STDF virtual library.

### **Timeframe**

13. The planned starting date is 21 March 2016.

**TORs for International Consultant**

Under the overall supervision of the STDF Secretariat, and in close collaboration with Sustainable Development Consulting Mongolia, the Department of Veterinary and Animal Breeding (DVAB) and other relevant stakeholders in Mongolia, the International Consultant will provide technical knowledge and advice to support the implementation of this PPG, including drafting, formulation, and design of a project proposal. In particular the International Consultant will carry out the following tasks:

1. Discuss the key findings and recommendations of any related work/studies/evaluations (including the OIE PVS, GAP Analysis, etc.), as well as all relevant previous work related to animal identification, registration and traceability in Mongolia, with Sustainable Development Consulting and the DVAB. Consider how the recommendations, experiences and/or lessons learned through these previous evaluations/work is relevant to this PPG, and discuss how they should be taken on board.
2. Provide advice and support to consider national policies and legal instruments relevant to an AIT system including to identify the need for further work to amend existing policies/legislation and/or draft new ones, as necessary
3. Provide technical guidance on the proposed objective(s) and scope of the proposed pilot animal identification and traceability system, considering aspects related to existing infrastructure (roads, IT, communications, decentralized offices), financing, sustainability and scaling-up.
4. Provide guidance on the options to pilot the AIT system in a clearly defined and limited geographic area, which takes account of the specific context, challenges and needs in Mongolia (e.g. geography, climate, socio-cultural aspects, financing, sustainability, value chains, etc.), as well as the market/SPS requirements in its trading partners and prospective markets.
5. Provide advice on the type of data/information needed (stakeholder survey) to inform the development of an AIT system, and help to interpret and analyse the information collected.
6. Provide guidance and advice to ensure that the approach in the proposed project is technically sound, realistic, coherent, and complementary to other relevant activities.
7. Share relevant technical knowledge and expertise on experiences, lessons and good practice in the development and implementation of AIT systems elsewhere.
8. Review and provide technical comments and feedback on draft versions of the project proposal, prior to its presentation to the national stakeholder workshop and prior to the submission of the final project document to the STDF.

**Qualifications of the consultant**

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

- Advanced degree in animal science, veterinary science or related discipline.
- At least 7 years of work/project experience in developing countries on animal health / veterinary projects, including work on the design and implementation of animal

identification, registration and traceability systems according to internationally-recognized good practices.

- Prior experience in designing or implementing similar projects in other developing countries.
- Have in-depth knowledge about SPS and animal traceability requirements related to the export of meat to high-income countries including EU, US, Japan or other developed economies.
- Proven ability to work effectively with diverse stakeholders / experts in developing countries (including trade specialists, herders, industry associations, and international organizations).
- Previous experience in developing similar types of projects in developing countries and successfully raising funds.