

STDF study on spill over effects of export-oriented SPS technical assistance on the domestic food safety situation

Concept Note

Introduction

1. The STDF plans to commission a study on impacts of food safety technical assistance projects and programmes on the domestic health situation. The study will be conducted in close collaboration with FAO and WHO and will focus on the spill over effects of export-oriented technical assistance on the domestic food safety situation. It will aim to draw key lessons to improve the design and delivery of future trade related technical assistance programmes.

2. International SPS standards (Codex food safety related standards, OIE animal health standards and the IPPC standards) aim to reduce the proliferation of plant and animal pests and diseases through trade and to protect the life and health of human, animals and plants. Although the implementation of international standards proves challenging for developing countries, standards play a catalytic role in development through stimulating new investments and enhancing productivity and sustainability of production systems, as well as improving worker and consumer welfare. SPS technical assistance is provided to developing countries to enable them to meet their international obligations under the WTO SPS Agreement, improve the implementation of international standards, and gain or maintain market access.

3. In practice, because of the cost of compliance with international standards and the low income of local consumers, in many instances only those businesses with a critical-size production and market find it cost-efficient to implement SPS standards for a price premium. This leads to a segmentation of the market, high quality products being exported and low quality products being consumed on the local market. Even when available on the local market, the higher price of safer and superior quality products makes them inaccessible for the poor. This two-tier system is allegedly compounded by an increased attention paid by SPS public institutions to controlling the quality and safety of export directed products on the detriment of locally consumed products, driven by export-based economic growth objectives. In this context, it is often suggested that export-oriented SPS technical assistance is likely to lead to or exacerbate the existence of a two-tier SPS system in developing countries.

4. However, many SPS capacity building programmes implemented which aim to enhance the access of agri-food products from developing countries to high-end markets identify secondary domestic benefits, such as improving environmental conditions, improving occupational health and safety and improving the domestic food safety situation. Typically, technical assistance projects aiming at meeting Maximum Residue Limits (MRLs) for a given product through Good Agriculture Practices (GAP) and better use of pesticides claim a reduction of environmental pollution (soil and water) and less cases of pesticide-poisoning among farmers and operators as a result of improved (less and better) use and management of pesticides. Likewise, projects aiming at improving pre- and post-harvest practices to reduce mycotoxin contamination in export nuts claim a potential reduction of morbidity (liver cancer, stunting, acute toxicity, etc.) and mortality among the local population due to consumption of safer nuts. Other system-wide SPS capacity building projects (aiming for instance at improving SPS legislation or creating or strengthening a competent authority with the view of enabling a developing country to export animal or fishery products) indicate that strengthened SPS authorities will be better equipped to undertake domestic controls whether it be for imported or domestically produced foodstuffs.

5. This study will aim to identify this spill over impact (positive or negative) of export-oriented technical assistance on the domestic food safety situation. It will draw lessons from past technical

assistance projects and identify good practice to be replicated in order to maximize the positive impact of export-oriented technical assistance on domestic food safety situation.

Objectives of the study

6. The overall objective of the study is to contribute towards enhancing the impact of technical assistance. Specifically, the study will:
 - (i) review the impact of past export-oriented SPS technical assistance with the focus of identifying evidence of spill over effects on domestic food safety situation ;
 - (ii) identify good practice and make recommendations to Governments and donors on ways to ensure that the spill over effects can be maximized in future technical assistance projects;

Proposed methodology

7. In collaboration with its partners (mainly FAO and WHO), the STDF Secretariat will identify and recruit an expert to undertake the study. The study will mostly comprise desk-top research, questionnaires and direct interviews. It will be primarily based on the review of SPS technical assistance programmes (including relevant STDF funded projects) to identify their spill over effects on domestic food safety. The study will be conducted in two phases :

8. The first phase consists in a desk-top study and pre-survey which will review existing documentation (including literature, reports, ex-post evaluations of projects, etc.).

9. During this phase an open call for projects and programmes will be made to STDF partners, donor members and beneficiaries, and through STDF's network. The call for projects will be general and include those export-oriented projects which clearly claim to have had an impact on domestic food safety, as well as those which did not have such a claim but which may potentially have had an effect on the domestic food safety situation (such as value chain projects).

10. It is anticipated that the majority of projects to be submitted will have safety enhancement of export food products as a main objective. However, projects which aim to address veterinary or phytosanitary issues for market access and which may have had an indirect impact on food safety may also be submitted.

11. The first phase will refine the methodology to be used in the second phase. Aspects to be refined include but are not limited to:

- *Criteria for technical assistance programmes to be analysed.* A first screening of projects and programmes received from the open call will be conducted. A limited number of projects will be retained for a more in-depth analysis. Criteria for projects to be analysed in greater detail will be established. These include country focus (big exporter vs. small niche exporter), level and type of agricultural production (i.e. smallholders vs. big firms, animal vs. plant products, etc.). The possibility to include broader capacity building projects, e.g. projects targeting the update of legislation or the creation of an SPS coordination mechanism, etc. will be examined.

- *Indicators to be used for domestic food safety.* Both direct indicators (e.g. reduction of foodborne disease, statistics of detection of improper food sold on domestic market, etc.) and proxy (indirect) indicators (implementation of national risk-based approaches for food safety, improvement of methods to enforce national laws and regulations on the local market,

etc.) should be considered. To the extent possible the indicators should be quantitative and supported by national data and information.

- *Tools for the survey:* The target audience (SPS national institutions, producers, consumers, etc.) and the questionnaires will be established based on the indicators identified. The goal of the study will be to collect measurable indicators and therefore the questionnaires should aim at first to assess the availability of data. This will also allow determining to what extent additional field-research is necessary for specific programmes and in specific countries.

12. The second phase will consist in the survey (including or not the field research) and in the analysis of the results.

Role of the partners

13. The study will be conducted by the Secretariat in close collaboration and with support from FAO and WHO.

(a) Role of FAO and WHO

- Assign a working-level focal point for the study.
- Submit relevant projects and programmes for analysis.
- Propose experts to conduct the study.
- Provide specific technical input into the ToRs.
- Provide technical guidance to the consultant including through direct communication (phone call, face to face meetings, if necessary, etc.). This includes guidance on the methodology, the elaboration of the questionnaires and other survey tools, etc.
- Review the draft reports prepared by the consultants and provide specific input and suggestions.
- Facilitate the field-research and the surveys, as appropriate (provide institutional contacts, ensure that support is provided to the consultant by FAO and/or WHO country offices, as appropriate).

(b) Role of the STDF Secretariat

- Prepare a first draft of ToRs for the consultant.
- Establish the contract with the consultant.
- Ensure the respect of the proposed timeline.
- Provide guidance to the consultant and ensure that deliverables are produced as per the ToRs.
- Facilitate the call for projects and the implementation of the surveys.
- Ensure that feedback is provided to the consultant within the agreed timeline.

Budget

14. The budget allocated to this activity in the STDF Operating Plans for 2012 and 2013 is US\$ 100,000 in total. This will be used to cover the honorarium of the expert and field research expenses, if any.

Work programme

15. The following initial actions are planned to prepare for this event:

Activity	Month (2012-13)
Identify external consultant	November
Draft terms of reference and hire consultant	December
Call for SPS technical assistance projects to be reviewed	January
Conduct pre-survey study	January-March
Prepare more thorough background note including the methodology and the draft outline of the study for discussion at the STDF WG in March 2013	March
Conduct survey and field-research as appropriate	March-June
Conduct analysis and draft the study	July-September
Present finding of the study at the STDF WG in October 2013	October
Incorporate comments and finalize study	November-December

Issues for consideration by the Working Group

16. The present background paper proposes to focus the research on the spill over effects of export-oriented food safety projects on the domestic food safety situation. However, literature suggests that export-oriented SPS technical assistance projects may have spill over effects on the domestic health situation more broadly (including improved occupational health and safety of farmers or reduction of water contamination as a result of better use of pesticides, reduction of zoonosis as a result of improved veterinary capacity, etc.). In light of this, the Working Group should consider the following issues:

- (a) Should the study focus solely on the domestic food safety situation, or should the scope be expanded to cover public-health related outcomes? (and, if so, to what extent?)
- (b) Should the analysis cover only projects for which the main objective was to improve the safety of export food products, or should other SPS-related technical assistance projects be considered?
- (c) Should the analysis primarily have a country focus (i.e. select specific countries based on the findings of the first phase and analyse all projects identified in that country), or should it have a project focus (i.e. select the projects to be reviewed and analyse the domestic impacts of those specific projects)?