SUMMARY REPORT OF THE STDF POLICY COMMITTEE MEETING

11 December 2009

WTO, Geneva

Opening remarks by Mr Bernard Hoekman, Sector Director, Trade Department (PRMTR), Poverty Reduction and Economic Management Vice-Presidency (PRMVP), World Bank

1. Chairing the meeting on behalf of the World Bank, Mr Hoekman welcomed participants and noted that the task for the Policy Committee was to review the operation of the Facility during the past year, as well as the new STDF Operation Plan for 2010-11 and the STDF Operational Rules.

Adoption of the agenda

2. The agenda was adopted. A list of participants is provided in Annex 1.

Opening statements by Policy Committee members

- 3. Ms Caroline Nilsson (Sweden) stated that Sweden attaches great importance to the work of the STDF and expressed confidence in the Secretariat's capacity. She indicated that the STDF has become one of the most important players in the SPS area, largely due to the Facility's role in coordination, and mentioned that Sweden had recently approved a new five-year contribution to the STDF for a total value of approximately US\$5 million. Ms Nilsson highlighted three areas where Sweden would like to see greater attention: (i) increased focus on poverty reduction including the inclusion of a reference to the linkages between standards and poverty reduction in the STDF Operational Rules; (ii) improved systems for monitoring and evaluation including the development of a systematic framework to measure results at the level of outcomes and impacts; and (iii) continued focus on the STDF's coordinating role including renewed emphasis on project development and a gradual move away from project funding.
- 4. Mr Klaus Kehrein (Germany) recognized the work of the STDF during the last year and the role of the Secretariat. Highlighting the importance of the Facility's coordinating role, at the global, regional and national level, he advocated a more focused approach and proposed that the Secretariat build on existing events organized by others (e.g. regional Aid for Trade reviews) rather than organizing stand-alone regional and national events. Mr Kehrein indicated that Germany was satisfied with the breakdown of the STDF budget across coordination activities, project development and project funding. He noted that Germany would like to see a more impact-oriented approach to measure outcomes and impacts, and proposed the inclusion of specific indicators for outcomes and impacts as part of a revised logframe.
- 5. Mr Clem Boonekamp (WTO) thanked the World Bank for hosting the Policy Committee meeting in Geneva and welcomed Mr Washington Otieno and Mrs Chaweewan Leowijuk, two of the three new developing country representatives, to the STDF. Expressing satisfaction with the Facility's work and results, Mr Boonekamp highlighted two achievements the STDF film and the workshop on the use of economic analysis to inform SPS decision-making which have been particularly valuable from the WTO's perspective. He observed that the WTO is encouraged with the strengthening of the linkages between the STDF and the Aid for Trade initiative but would like to see more projects resulting from STDF project preparation grants (PPGs) being funded by external donors. Mr Boonekamp expressed confidence that the now fully staffed Secretariat had the necessary competencies to deliver on the new Operating Plan provided that other partners and members continue to fulfil their respective roles in the partnership.

- 6. Ms Maria Neira (WHO) expressed the WHO's appreciation with the work carried out by the STDF and emphasized that developing capacity in public and animal health at the national level clearly benefits trade. She called for ongoing attention to capacity building in these areas, particularly in least developed countries and stressed the need to avoid duplication, particularly given the interdisciplinary nature of this work. Noting that the Codex Trust Fund has supported more than 1,000 participants from 100 countries to participate in meetings of the Codex Alimentarius Commission, Ms Neira remarked that through its focus on the implementation of standards, the STDF clearly complemented activities supported through the Codex Trust Fund.
- 7. Mr Alex Thiermann (OIE) reiterated the OIE's support for the work of the Facility and the Secretariat. He underlined that the STDF should give priority to collaborating with the three international standard-setting bodies as part of its focus on SPS capacity building, technical cooperation and awareness raising activities. Noting that the STDF's interdisciplinary approach in the SPS area was unique, he stated that the OIE was interested to further enhance collaboration with the Secretariat and invited the STDF to the first OIE Global Conference on Veterinary Legislation, which will take place in Djerba, Tunisia in December 2010.
- 8. Mr Thomas Westcott (United States) expressed satisfaction with the work of the STDF. While recognizing the importance of poverty reduction, he indicated that it would be essential to maintain the focus of the Facility on its two strategic objectives, notably capacity building to support developing countries to implement international SPS standards and thereby promote market access, and the exchange of experiences and coordination in the area of SPS-related technical cooperation. He also mentioned that the United States would like to see greater focus on measuring the outcomes and impacts of STDF activities.
- 9. Reflecting on statements made by partners and donors in the Policy Committee, the World Bank emphasized that the STDF's interdisciplinary approach bringing together food safety, animal and plant health with trade and development was one of the unique aspects of the Facility. Recognizing the need to pay greater attention to measuring outcomes and impacts of activities, rather than outputs, he noted the challenges inherent in measuring impact and developing indicators for results-based management but stressed that this would also be important for Aid for Trade. He observed that revising the STDF logical framework matrix would be important in this regard.

Report by the STDF Secretary

- 10. Based on the draft annual report (STDF 315), the Secretariat provided an overview of the Facility's work in 2009 addressing coordination activities, information dissemination, project development and funding, and the operation of the Facility. It was noted that the STDF had three new developing country representatives, and Mr Washington Otieno (plant health, Africa) and Mrs Chaweewan Leowijuk (animal health, Asia) were welcomed to the meeting. Unfortunately, the third developing country representative, Ms Antonieta Urrutia Anabalón (food safety, Latin America) was unable to attend.
- 11. With regard to funding, the Secretariat indicated that, to date, nine donors had made contributions worth a total of CHF 3,837,737 in 2009. With the inclusion of additional pledges from three donors, totalling approximately CHF 1,500,000, the STDF would meet the US\$5 million funding target for 2009.
- 12. The World Bank noted that STDF funding for projects is limited and indicated that, in the future, it would be beneficial for the STDF to seek funding from other donors for a greater number of projects developed through PPGs.
- 13. The Secretariat indicated that only two out of 37 projects developed via PPGs had so far been funded by external sources due to different funding cycles, rules and procedures, and the fact that

larger ongoing programmes in the area of agricultural development, trade capacity building, etc. are often not flexible enough to incorporate an STDF project. The Secretariat would like to have more success in this regard and was making efforts to change this situation by working more closely with consultants responsible for PPGs, revising the PPG template, etc. However, the Secretariat recognized that this would take time and require more support from Working Group members (e.g. to increase awareness about the STDF in countries, provide information on planned donor programmes and funding, etc.).

- 14. The representative from FAO agreed on the importance of obtaining external financing for a larger number of projects developed through PPGs and observed that FAO, like Sweden, would like to see a reduced emphasis on funding projects in the future. She noted that this would require the development of stronger linkages with the Enhanced Integrated Framework (EIF), the Aid for Trade initiative, bilateral and multilateral donors, as well as greater dedication and more rigorous inputs from STDF partners to develop high-quality proposals. The OIE concurred that partners should be more involved in the development of project proposals under PPGs, and observed that it would also be important to tailor and package proposals appropriately to obtain more external funding.
- 15. The World Bank proposed setting a minimum target for the number of projects developed through PPGs to be financed by external donors, which would serve as an indicator. Germany proposed that the number of projects co-funded by two or more donors could serve as an additional indicator. In concluding this discussion, the World Bank reiterated the importance of raising awareness about the STDF and improving coordination within developing countries. It was noted that the EIF could also provide support in this context.
- 16. Participating on behalf of the Group of Least Developed Countries (LDCs), the representative of Tanzania observed that a significant share of STDF's resources for projects and PPGs have been allocated to LDCs and expressed appreciation for this support. He recommended that the STDF should support applicants in developing countries to explore funding from a variety of other sources. He also indicated that the LDC Group was in the process of selecting a representative to the STDF.

Review of the STDF Operating Plan 2010-11 and the STDF Operational Rules

- 17. The Secretariat noted that no proposed changes to the Operational Rules had been received.
- 18. The Secretariat requested the Policy Committee to make a decision on the timing of the next external evaluation of the Facility in response to the Working Group's request. Some Working Group members considered that delaying the next evaluation would provide more time to implement activities and measure results, which would be beneficial. Representatives of the OIE, the WTO and the World Bank indicated their support to carry out the next evaluation at the end of 2012, rather than the beginning of 2011. Germany stated that it had no objection to a later evaluation but requested clarification on what this would mean for the development of the next operating plan and mid-term strategy. The Secretariat responded that the next Policy Committee meeting would decide on how to develop the mid-term strategy for 2012 and beyond. The Policy Committee agreed for the next external evaluation to be conducted at the end of 2012 and for necessary revisions to be incorporated in the Operating Plan for 2010-11 (i.e. para 3, para 65-66, para 70-71 and Table 4).
- 19. The Secretariat noted that a logical framework matrix had been included in the draft Operating Plan in recognition of the need to improve monitoring and evaluation. The Secretariat was ready to further revise and improve this logframe on the basis of comments received during the preceding Working Group meeting. The Policy Committee endorsed the importance of improving results-based management, including the measurement of outcomes and impacts and development of performance indicators, and welcomed efforts to improve the logical framework matrix. The Policy Committee agreed to the Secretariat's suggestion to adopt the Operating Plan without the logical framework, which would be revised for discussion and adoption at the next Working Group meeting.

- 20. Regarding synergies between SPS and trade facilitation (paras 14-15 of the Operating Plan), the Secretariat expressed its willingness to accommodate concerns raised by the United States and proposed revising the text to increase the focus on SPS issues. The Policy Committee concurred.
- 21. The Policy Committee supported the Secretariat's proposal to modernize and improve the STDF website, including inclusion of a dynamic compendium on SPS-related technical cooperation activities.
- 22. The World Bank provided suggestions on how to maximize the impact of developing new audio-visual material, including increasing collaboration with mainstream media (e.g. BBC World) and the World Bank's external relations department. The Secretariat indicated that the "Trading Safely" film is available on YouTube, as well as the STDF website, and that some countries were interested to show it on their national television channels if funding for translation into local languages was secured.
- 23. The Policy Committee agreed on the need to revise the section (paras 30-31) of the Operating Plan focused on global-level coordination with other organizations and initiatives including the Trade Standards Practitioners Network. There was agreement to expand this text to include references to other related initiatives such as the Codex Trust Fund, the OIE World Animal Health and Welfare Fund, etc. The WHO highlighted that an external evaluation of the Codex Trust Fund was ongoing and that some of the findings may be relevant to inform future STDF work.
- 24. In terms of coordination at the regional level, the Policy Committee supported the Secretariat's efforts to build on existing events organized by other organizations, rather than focusing on the organization of stand-alone events. The United States provided an example of previous STDF participation in APEC Food Safety Cooperation Forum events as an opportunity to take advantage of an existing regional body that attracts the participation of high-level decision-makers.
- 25. The Policy Committee expressed support for the STDF's work on fruit fly control in West Africa. The LDC representative (Tanzania) and the STDF representative for Africa underlined that fruit fly is also a problem in other parts of Africa and that opportunities exist to replicate this work in other parts of the continent. It was also noted that replication would attract support from regional organizations and economic commissions.
- 26. The World Bank recommended that the Secretariat work more closely with regional organizations with expertise in "training of trainers" as a means to reinforce their capacity and support the delivery of regional training events organized by the STDF in collaboration with others. The STDF representative for Africa observed that more attention should be given to national-level follow-up activities after training workshops, including support for the development of effective linkages across agencies involved in food safety, animal health, plant health and trade.
- 27. Discussions on STDF's coordination activities at the national level focused on the need to increase awareness about the STDF and improve coordination within countries, including with multilateral organizations, bilateral donors, EIF focal points, etc. The Policy Committee agreed on the need for ongoing efforts to disseminate information on the STDF at the country level and agreed that STDF partners and donors have a key role to play in this regard. To support these efforts, the FAO representative proposed enhancing linkages between the STDF and FAO national medium-term planning frameworks (currently under development) and the One-UN initiative.
- 28. The Policy Committee supported the Secretariat's efforts to continue tracking the supply of SPS-related technical cooperation flows in 2010-11, including the planned WTO Global Trade Assistance Database. The World Bank observed that other relevant organizations should take the lead on the development and maintenance of databases.

Information from Policy Committee members

29. No additional information from Policy Committee members was shared under this agenda item.

Other business

30. The Secretariat informed the Policy Committee that the Netherlands had agreed to chair the Working Group in 2009 with the United States as vice-chair. It was noted that the next Policy Committee would be scheduled for December 2010 with the time and place to be agreed.

Annex 1

List of Participants STDF Policy Committee 11 December 2009

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