# SUMMARY REPORT OF THE STDF WORKING GROUP MEETING

# 19 March 2010

#### WTO Headquarters, Geneva

# 1. Adoption of Agenda

1. The Working Group meeting was chaired by Mr Rien Huige, Counsellor at the Permanent Mission of the Netherlands.

2. The agenda was adopted with one amendment. The Secretariat requested to add four projects under agenda item 4. These additions included project extensions (STDF/PG/62, STDF/PG/134 and STDF/PG/170) and a project approved conditionally for co-funding in February 2009 (STDF/PG/267). A list of participants is provided in **Annex 1**.

#### 2. Overview of operation of the Facility

3. Mr Clem Boonekamp, Director of the Agriculture and Commodities Division of the WTO, informed the Working Group of the appointment of Mr Melvin Spreij as the new Secretary of the STDF and the assignment of his post to Mr Simon Padilla. The Secretary reported that Ms Diana Korka had not renewed her contract in January 2010 and that the recruitment of an administrative assistant was underway. In the interim period, the post is filled by Ms Marcia Bailey until the end of March 2010 and by Ms Paola Michelutti from 1 April onwards. The Secretary welcomed two trainees sponsored by the Dutch trainee programme, Mr Mamadou Sarr from Senegal and Mr Bernard Dlamini from Swaziland. They will assist the Secretariat in the coming months.

4. The Secretary reported that the STDF Annual Report for 2009 will be completed in April and available on the STDF website. A report on the website, the new e-mail distribution system and other publication material produced by the Secretariat will be provided under agenda item 2.

#### Report and discussion on STDF meetings and activities

Workshop on public-private partnerships in SPS capacity building (STDF/Coord/325/BackgroundNote)

5. The Secretariat briefed the Working Group on ongoing preparations for a workshop on public-private partnerships (PPPs) in SPS capacity building, which the STDF Secretariat plans to organize in September/October 2010 with a budget of US\$175,000. The Secretariat welcomed Working Group member offers to co-organize the event.

6. In a background note circulated to the Working Group, the Secretariat reported that PPPs are divided into two main categories. The first category focuses primarily on capacity building to address a specific SPS problem. In such cases, involvement of the private sector was regarded as an effective way to attract additional resources and increase the scale and sustainability of development projects. The second category involves arrangements where the private sector provides infrastructure assets and services that have traditionally been provided by government, within a regulatory framework for food safety, animal and plant health established by national authorities.

7. The Working Group overwhelmingly supported the organization of the workshop, proposed to contribute with specific examples of successful PPPs in the SPS area, and provided suggestions to fine-tune and better prepare the workshop. These included: (i) development of a common structure for the PPP presentations (e.g. addressing context, ownership, value chain) to facilitate comparison of good practice elements; (ii) the need to take into account collaboration between government and the local private sector as a third category of PPP; (iii) the need to make a distinction between public

regulation and links with the private sector, especially in cases where the lack of public regulation is replaced by private sector regulation; (iv) the need for caution with respect to diverging public and private objectives such as those in relation to private standards, and the need to focus on PPPs which target compliance with official standards; and (v) the need to ensure that PPPs not only render regulation cheaper but also include components of capacity building. The EU noted that it had recently established a working group on PPPs, which could contribute to the workshop.

8. The World Bank offered to co-organize the workshop in Washington D.C. - unless another partner or donor would come forward. The Secretariat agreed to revise and fine-tune the background note, incorporating the comments received, and to present the note for discussion at the next Working Group meeting.

# Technical working meeting on SPS indicators (STDF/Coord/293/BackgroundNote)

9. The Secretariat introduced the background note on the technical working meeting on SPS indicators, scheduled to take place in Geneva on 1 July, and the draft working paper circulated prior to the meeting. The Working Group was reminded that this was a "work in progress", in collaboration with the OECD, and that the purpose of the technical working meeting was to substantially advance and improve the working paper and reach agreement on a core set of macro-level SPS indicators. Following the meeting on 1 July, the Secretariat proposed to pilot test the indicators in selected countries and make necessary improvements. A Guide for the development and application of SPS indicators would subsequently be finalized.

10. The Working Group expressed its support for this work and praised the Secretariat's efforts. While recognizing the challenges involved in developing SPS indicators, the Working Group stressed the importance of this work and observed that the draft working paper was a good start in this direction. Some members emphasized that indicators for export performance may differ significantly from those for the "domestic" situation (Chile and China were cited as examples). The challenges in differentiating between activities to improve domestic SPS systems versus trade was recognized. It was noted the foodborne illnesses could be useful as an indicator to measure national systems but not necessarily export performance.

11. The benefits of incorporating practical experiences from developing countries and taking a bottom-up approach was emphasized. It was noted that data collection to support the use of indicators involves significant costs, therefore, any indicators proposed should be feasible. In this context, a core set of 10 to 15 indicators would be most useful. The Working Group supported the use of pilot testing at the country level, including analysis of the use and feasibility of any proposed indicators, to refine and improve the set of indicators.

12. In response to questions, the Secretariat clarified that the indicators to be developed could be used by national authorities, as well as donors and other organizations involved in SPS capacity building, to track SPS performance over time. In some cases, they would also support efforts to track progress related to the implementation of SPS action plans. It was further noted that the process of developing and using indicators could help to overcome the fragmentation of SPS data and information in countries. Other points discussed related to: (i) the need to cross check data and triangulate information to ensure accuracy; (ii) the possibility of including indicators of relevance to compliance with international phytosanitary standards; and (iii) the need for project indicators to be tailored to the specific objectives and components of the project in question.

13. Following concerns about the limited time available for the technical working meeting, the Secretariat suggested that a second meeting could be organized, if necessary, after the pilot testing exercise. Some members of the Working Group offered to provide names of developing country experts who could make a meaningful contribution to the meeting. The Secretariat thanked the Working Group for all the comments made and agreed to revise the draft working paper accordingly. The deadline for the submission of additional comments was established at <u>30 April 2010</u>.

# SPS and trade facilitation

14. The Secretariat reported that several trade facilitation initiatives, partnerships and programmes had recently been initiated at global and regional levels which potentially addressed issues related to standards compliance, testing and certification of food imports and exports, quarantine measures, regional standards management, etc. Since the last meeting of the Working Group, the Secretariat established close working relationships with one particular mechanism, the Trade Facilitation Facility (TFF). The relationship between the TFF and the STDF will be strengthened at two levels. First, the TFF can provide an additional funding/co-funding avenue for projects developed by the STDF. Second, the TFF can share its projects with strong SPS components for comments and review by the STDF Secretariat with a view to improve coordination in SPS-related technical cooperation.

15. As a result of a meeting between the ECOWAS Secretariat and the TFF manager held in Abuja on the margins of the Aid for Trade review in West Africa, the TFF has in principle agreed to finance up to US\$1 million of the Regional Action Plan to control fruit fly in West Africa.

# Regional Action Plan to control fruit fly in West Africa

16. The Secretariat reported on actions taken since the last Working Group meeting to monitor the implementation and resource mobilization of the Regional Action Plan. The target of mobilizing close to one third of the required resources over the plan's 5-year cycle by the end of 2010 was still feasible. ECOWAS plans to create a management unit to oversee the implementation of the plan in 2010. This unit will eventually be incorporated within the overall ECOWAS Agricultural Policy (ECOWAP) management unit. The Secretariat encouraged donors to consider contributing to the Regional Action Plan - either through direct support or through implementation of their bilateral programmes. The need to ensure that bilateral actions to control fruit fly in the region be aligned with the Regional Action Plan was underlined.

#### **STDF** participation in other organizations and initiatives

17. The Secretariat provided an overview of its engagement with and participation in several SPS-related organizations and initiatives since the previous Working Group meeting in December 2009.

18. On the Enhanced Integrated Framework (EIF), it was recalled that the EIF Tier II Guidelines were finalized. This opens possibilities of furthering collaboration with the EIF in terms of (co-)financing STDF projects. The Secretariat had also agreed to attend EIF Board meetings in an observer capacity, while the EIF Secretariat will be allowed to observe the meetings of the STDF Working Group. The STDF and EIF Secretariats are also planning a joint training on project review and logical frameworks. If successful, this training could be replicated in beneficiary countries. The STDF will continue to comment on Diagnostic Trade Integration Studies and updates, in collaboration with its partners and other members. Finally, the STDF will continue to assist LDCs in translating good ideas into concrete project proposals through project development.

19. In addition, the Secretariat briefed the Working Group on the following meetings and events:

- On 20 January 2010, the Secretariat met with representatives from the Codex Trust Fund in Geneva to discuss future areas of collaboration. The Trust Fund was invited to attend the Working Group meetings to share information. An independent evaluation of the Trust Fund is ongoing and will be finalized in June 2010.
- On 26-27 January 2010, the Secretariat participated in the Annual General Assembly of the Global Donor Platform for Rural Development, co-hosted in Rome by the International Fund for

Agricultural Development (IFAD) and the Global Mechanism of the United Nations Convention to Combat Desertification (UNCCD). During a special session dedicated to Aid for Trade and rural development, the Secretariat highlighted the importance for developing countries to control their SPS risks and meet international standards. A follow-up meeting with officials from the Global Mechanism and other stakeholders (FAO, EIF, Aid for Trade) took place on 18 March 2010, on the margins of the Aid for Trade and Agriculture workshop in Geneva (17 March).

- The Secretariat participated in the ECOWAS Aid-for-Trade Review, held in Abuja on 27-28 January 2010. The meeting was centred around presentations of ECOWAS programmes, at both regional and sectoral level, including ECOWAS' agricultural policy (ECOWAP). The Regional Action Plan to control fruit fly in West Africa, jointly commissioned by the STDF and ECOWAS in 2009, was highlighted on several occasions. On the margins, the Secretariat made a presentation on the STDF during an information session on the TFF organized by the World Bank on 25-26 January 2010 (see paragraph 15 above).
- The Secretariat attended the Global Food Safety Conference, organized by the Global Food Safety Initiative (GFSI) of the Consumers Good Forum, in Washington, D.C. on 3-5 February 2010. The event provided a good opportunity to learn about new developments within GFSI and discuss ongoing and planned STDF work with key partners in the public and private sector, notably in light of the planned workshop on public/private partnerships in SPS capacity building.
- On 4 March 2010, the Secretariat met in Brussels with various EC representatives and officials from the COLEACP team responsible for the implementation of the EC-funded ACP-wide programme entitled: "Food and Feed Safety Systems through SPS Measures" (2010-13, totalling €30 million). The meeting was used to introduce the STDF to the COLEACP team and to discuss ways of collaboration.
- The Secretariat recently participated in a WTO regional seminar on the SPS Agreement for Central Asian Countries, held in Tashkent (Uzbekistan) on 16-19 February 2010 and provided an update on the operation of the STDF to the Sub-Committee of LDCs on 12 March 2010. Planned participation in other WTO-related events include a presentation on the operations of the STDF during the "Geneva week" (bringing together representatives of WTO member countries who do not have permanent missions in Geneva) on 6 May 2010.
- On 11 and 12 March 2010, the Secretariat participated in the Steering Committee meeting of the PAN-SPSO project in Douala (Cameroon) and in a separate meeting on STDF/PPG/305 with SPS representatives of the regional economic communities (RECs). In a context of proliferation of regional SPS frameworks and protocols, a study (to be finalized in May 2010) will look at the role of regional economic communities and the African Union Commission in the SPS area. The Working Group appreciated the timeliness of this study. The Secretariat also recalled that requests for observer status from the Southern African Development Community (SADC), ECOWAS and the Community of Sahel-Saharan States (CEN-SAD) had been approved by the SPS Committee at its meeting on 17-18 March.
- The Secretariat will attend the next Commission on Phytosanitary Measures (CPM5) on 22-23 March 2010 to report on STDF activities and make a targeted presentation on the operations of the STDF during a side-event (followed by a presentation on STDF/PG/171). Similar reports on the operations of the STDF are planned for the next OIE General Session (23-28 May 2010) and the Codex Alimentarius Commission (5-9 July 2010).
- A meeting took place with the Inter-American Development Bank (IDB) on 18 March to discuss future areas of collaboration. On 12-13 April 2010, the Secretariat will participate in an SPS seminar organized by the IDB in Guatemala. Recently, an invitation was also received from the African Development Bank to meet and discuss areas of collaboration.

# STDF Operating Plan 2010-11 (STDF 314) - discussion and approval of the STDF logical framework matrix

20. The Secretariat presented the revised logical framework - as requested by the Policy Committee in December 2009. The Working Group judged the revised framework to be significantly improved and commended the Secretariat for its work. Specific comments included: (i) the need to ensure that sources of verification to improve SPS capacity under the medium-term outcomes are easy to identify. The Working Group invited the Secretariat to consider eliminating indicators that are deemed too ambitious or not easily measurable and simple; (ii) a suggestion to rephrase specific indicators with a view to make them more specific; (iii) the need to track reports related to sources of verification of specific indicators; and (iv) the need to more accurately attribute activities to specific outputs and the need to refine the indicators presented in the framework following progress made in the technical working meeting on SPS indicators.

21. A deadline for further comments on the revised logical framework was set at <u>15 April</u> <u>2010</u>. The Secretariat will then incorporate all the comments received and attach the framework to the Operating Plan 2010-11. It was also agreed to further refine the logical framework in the beginning of 2011 - based on the results of STDF's work on SPS indicators.

# STDF website

22. The Secretariat briefed the Working Group on progress made in restructuring the STDF website and enlarging the e-mail distribution list to circulate relevant STDF documents to a wider audience. At the next Working Group in July, the Secretariat will further introduce the new website and table a proposal on next steps to be taken (i.e. the proposed STDF "virtual library").

23. The Working Group commended the Secretariat for its efforts to improve the functionality and look of the website and provided the following comments on the homepage: (i) remove the rotating element presenting partners and STDF news; (ii) place the partner logos at the bottom of the homepage; (iii) include links to the STDF donors on the homepage; (iv) ensure that STDF news is periodically updated; and (v) ensure that the proposed "virtual library" is self-sustained and does not depend on in-house or active partner updates.

# **Funding situation**

24. The Secretariat reported on the STDF funding situation. Taking into account outstanding commitments and including on-going staffing commitments to the end of the year, the STDF currently showed a positive balance of CHF 1,159,406. Contributions expected in 2010 included the Netherlands (approx. €600,000), Sweden (approx. US\$1 million) and the EU (negotiations in progress). Switzerland made a contribution in 2009 covering the period 2009-11 (CHF 700,000). Further donor contributions will be required to ensure the proper and timely implementation of the Operating Plan for 2010-11. The Secretariat recalled that the WTO can only receive contributions from governments and international organizations.

25. The Secretary highlighted that tightened eligibility criteria and a stricter review process in 2009 had led to improvements in the quality of funding proposals but also to a slightly lower level of project expenditure than foreseen. Responding to questions from the Working Group on the outstanding commitments, the Secretariat clarified that the beneficiary of project STDF/PG/155 is currently discussing implementation arrangements with the Secretariat and IICA. The project is expected to be contracted in the coming months and to start in June 2010.

# 3. Information exchange on SPS-related initiatives (STDF/WG/Mar10/Compilation)

26. The Secretariat introduced the overview document compiling the information received prior to the meeting from Working Group members and observers on their existing and forthcoming

SPS-related activities and initiatives. The Secretariat then introduced three presentations to be made to the Working Group

# Trade Standards Practitioners Network (TSPN)

27. The newly appointed coordinator of the Trade Standards Practitioners Network (TSPN) - Johann Moltmann - introduced the work of TSPN. As a multi-stakeholder forum comprising industry, non-governmental organizations, multilateral organizations, private standard setters and certifiers, the TSPN aims to assist developing countries in addressing the trade and development challenges and opportunities presented by private standards in as much as they represent a means of product differentiation. The TSPN is funded by the World Bank and Germany and is expected to develop a set of tools that will enable decision-makers in developing countries to address private standards in a strategic way.

28. The Working Group requested clarifications with regard to the specific role of TSPN and its possible overlap with the Global Food Safety Initiative (GFSI). The TSPN coordinator noted that GFSI was not a member of TSPN and that TSPN did not focus on international standards related to food safety but was focusing on other parameters such as environmental standards and other social standards linked to food production. He further stressed that TSPN was not a standard-setter but a network helping decision-makers in deciding whether to adopt a specific private standard to further differentiate exports rather than assisting stakeholders in the implementation of specific private standards. While the current focus of TSPN is on food products, other areas such as eco-tourism, forestry and animal welfare (to the extent that they become an instrument for product differentiation) could be discussed in the future. The extent to which animal welfare can be discussed in TSPN may depend on whether animal welfare regulations will be mandatory or not.

29. The TSPN coordinator stressed the need to conduct research on the way private standards add on to international standards. He underlined that TSPN did not have the resources nor mandate to conduct capacity building activities. Rather, TSPN will work through its membership and will develop tools to support the process of decision-making in developing countries. The Working Group exchanged views with TSPN on the relevance of targeting these tools to decision-makers in governments instead of the private sector. The coordinator mentioned that governments had to decide what kind of approach to adopt towards private standards and this explained why the tools will be targeted to both business and government officials.

30. Several members requested clarification on the list of TSPN partners. It was unclear whether all those bodies that TSPN had listed as "partners" considered themselves to be formal partners of TSPN, or whether they were groups with which TSPN had had dialogue or worked. The TSPN coordinator offered to clarify its relationship with the groups identified as "partners" within several weeks following the WG meeting.

# Michigan State University (MSU)

31. The presentation by Dan Clay and Les Bourquin (MSU) highlighted MSU's extensive experience in SPS management, food safety and value chain development. During the past five years, the Institute for International Agriculture in MSU has implemented 21 projects in this area in developing countries (including a successful STDF project in Rwanda). The FSKN was introduced as a pillar of MSU's capacity building activities. Pilot activities in India, China and Egypt were presented, as well as plans to further tailor, test and expand the FSKN as an innovative platform for enhancing food safety and SPS management capacity in other parts of the world.

32. The Working Group thanked MSU for a rich and interesting presentation. In response to questions, MSU clarified that the initial focus of the FSKN was on the manufacturing sector and Asia. However, as internet access increases in Africa, there will be potential to expand and also reach out to small-scale producers (for instance through cooperatives). MSU proposed using the

FSKN as a tool to build the capacity of "SPS focal points" – i.e. National Notification Authorities (NNAs) and National Enquiry Points (NEPs) – given the increasing role of these bodies in facilitating information exchange and promoting capacity building (Burundi and Rwanda were cited as examples). As such, MSU intends to target NEPs and NNAs through future work.

33. The Working Group discussed the role of NNAs and NEPs, and their current and potential role and contribution to SPS capacity building. The EC stated that it considers ways to expand the capacities of NNAs and NEPs and make them "more operational", for instance by developing incentives through which they would collect and put forward requests for technical cooperation. Given the existence of communication and coordination challenges in many countries, the need for incentives was underlined. The WTO explained that while the legal obligation for NEPs is limited, WTO training highlights the valuable role of NEPs in facilitating SPS-related communication and information exchange. The WTO also referred to a workshop on the implementation of the transparency provisions of the SPS Agreement (scheduled for October 2010) and asked MSU whether it could share examples of effective training methods or tools targeting NNAs and NEPs, which could be presented at this workshop.

34. Other issues discussed related to the relationship with Codex and access to FSKN materials. MSU clarified that training materials developed through the FSKN are, for the most part, based on Codex (specifically the Codex General Principles on Food Hygiene). Where relevant Codex standards do not exist (e.g. for allergens), efforts are made use authoritative sources (e.g. in the EU or US), for instance to develop practical guidance for manufacturers to identify hazards, products affected, etc. MSU emphasized that the FSKN provides free-of-charge access to open educational resources, which may be used and adapted by other organizations. The only obligation is for any organization adapting these materials to share this new content back through the FSKN. In response to a question, MSU stated that the FSKN did not include a roster of food safety experts but that such a feature could be incorporated in future.

#### **Inter-American Development Bank (IDB)**

35. Juliana Sales Almeida from the IDB made a presentation about the IDB's technical assistance and capacity building activities, research, loans and grants with SPS components, and the "INTrade database" currently under development. It was noted that the STDF Secretariat had participated in some IDB SPS-related activities, that experiences in this regard had been very positive, and that ways to expand this collaboration are being explored.

36. The INTrade database was of interest to several members of the Working Group and the IDB was praised for this work. The database currently exists in Spanish and an English version will be available by mid-2010, prior to the official launch of the database in the second half of 2010. INTrade includes official information and data on SPS requirements, private standards, regional export refusals, specific trade concerns (drawing on information from the WTO SPS-IMS), etc. Following a suggestion from the WTO, the IDB indicated that it could consider adding a feature to distribute alerts about new notifications in the future. Members of the Working Group commented on the usefulness of this database to improve access to SPS information, support coordination and enhance the capacity of SPS systems within countries. In this regard, it was suggested that the African Development Bank (AfDB) - or the STDF - support the development of a similar database for African countries.

37. In response to a suggestion that it would be beneficial to invite other regional development banks to address the Working Group, the Secretariat responded that it was keen to enhance such collaboration in the future. It was noted that Secretariat and the IDB are collaborating on an SPS training workshop planned to take place in Guatemala in April 2010, and that the STDF will contribute to an IDB/OECD study on regional trade agreements. The Secretariat explained that the AfDB was participating in this Working Group meeting for the first time and that a meeting was planned to discuss SPS capacity building. The Working Group was also informed that the STDF

recently issued a new Briefing Note (No. 5), addressing past collaboration with the Asian Development Bank.

#### Other initiatives of partners, donors and observers

38. The World Bank shared information about an upcoming meeting of the Partnership Training Institute Network (PTIN) of the APEC Food Safety Cooperation Forum (FSCF), scheduled to take place in Washington D.C. on 19-20 May 2010 in collaboration with the World Bank. This meeting aims to develop a strategy for identifying and developing a generic set of food safety training materials that could be adapted to meet critical training needs identified by the APEC Economies, throughout the entire food supply chain. MSU noted that it has been working with the PTIN.

39. The World Bank provided an update on the Global Agriculture and Food Security Programme, which was established in after the G8 summit in L'Aquila (July 2009) when US\$22 billion was committed for agriculture and food security. This programme, led by the World Bank in collaboration with FAO, regional development banks and other relevant organizations, brings food safety within the scope of food security funding for the first time. More than US\$2 billion (from Canada, Spain and the United States) has been received in the multilateral trust fund to date.

40. The EU updated the Working Group on recent activities related to three EU-funded projects. Firstly, following the evaluation of the Better Training for Safer Food (BTSF) activities in 2009, DG-SANCO has commissioned a study to benchmark the performance of BTSF activities with similar training programmes. This study aims to identify a representative set of best practices in the SPS field, which would enhance future BTSF activities. On this basis, the EU plans to create a network of SPS experts and organize a summer training school in 2012. Secondly, information was shared on the "Strengthening Food Safety Systems through SPS Measures" programme, which started on 1 March 2010. This programme, implemented through a grant with COLEACP in collaboration with other European partners, focuses on food and feed systems in African, Caribbean and Pacific (ACP) countries and their contribution to trade. It will be implemented in close cooperation with other related initiatives, and ad hoc funds are available to respond to unforeseen needs and ensure flexibility. The EU proposed a presentation on this programme at a future Working Group meeting. Thirdly, the EU informed that the second phase of the Pesticides Initiative Programme (PIP) was underway, and that a new video (PIP User Manual) had been released and is also available via a link on the STDF website.

#### 4. Overview of implementation of ongoing projects and PPGs

#### Presentation of issues arising

41. The Secretariat informed the Working Group that four projects – STDF/PG/62 (Cameroon), STDF/PG/134 (West Africa), STDF/PG/170 (Nepal) and STDF/PG/171 (East Africa) – had requested limited extensions (less than six months) without any budgetary implications.

42. The Working Group asked whether specific reasons were provided to justify these requests. The Secretariat provided its assurances that the reasons for the extensions were valid and that the projects could be completed within the extension period. It offered to include more details on the reasons for extension requests to the Working Group in the future. Additional questions were raised regarding the adequacy of the two-year time period for STDF projects. The Secretariat acknowledged that several STDF projects needed extensions, however, these have usually been of a short duration. It was suggested that the issue of an extension to the two-year time period for STDF projects could be considered in future discussions on amendments to be made to STDF's Operational Rules.

43. The Secretariat also informed the Working Group that STDF/PG/267 (Philippines), conditionally approved on 27 February 2009 subject to confirmation of funds for a complementary capacity building component, had not been contracted within the required one-year period. The Working Group agreed that this project should be resubmitted for consideration at its next meeting, as per the STDF Operational Rules.

# 5. Evaluations of completed projects

44. The Secretariat introduced the final evaluation report for STDF 13: "*Strategy and action plan for selected African regions to enhance public and private sector capacity in meeting international sanitary standards in international trade of livestock and livestock products*". The Secretariat noted that approx. US\$22,000 remained in the budget and that the evaluator proposed using them to resolve continuing diplomatic issues and improve the regional strategies developed through this project. The Working Group was asked whether it supported this proposal or whether the remaining funds should be returned to the STDF.

45. The Secretariat explained that the general rule is to return any unused money to the Secretariat after completion of a project, unless the Working Group decides otherwise. It was noted that this situation was unique in view of the evaluators' recommendation. Members of the Working Group were reassured by the OIE that there are no overlaps between the proposed activities and other ongoing initiatives. The Working Group agreed that the funds, in this case, could be used as recommended by the evaluator given the clear link of the proposed activities with the project. The Working Group agreed that any future request to spend unused funds on activities that are not specifically related to the original project, would be declined. In such cases, funds should be returned to the Secretariat and a new request for funding submitted.

# 6. Review of applications received

46. The Secretariat indicated that since the last Working Group meeting in December 2009, 12 applications for project grants and PPGs had been received. Of these, the Secretariat recommended seven applications for consideration by the Working Group. The Secretariat explained that five of the applications reviewed (STDF/PG/317, STDF/PG/319, STDF/PG/320, STDF/PG/321, STDF/PG/323) were not put forward for consideration for the reasons outlined in document STDF/WG/Jun09/Review.

47. Some members of the Working Group noted that the project applications for STDF 319 (Colombia) and STDF 321 (Bangladesh/India) have potential, even if further improvements are required. The Secretariat explained how it decides if a project should be tabled (with a recommendation to revise and resubmit) or not tabled. FAO highlighted the government's commitment in Colombia to SPS capacity building, including the investment of significant public funds, and noted that it is extremely supportive of this request. The OIE indicated that Colombia has evaluated the capacity of its veterinary services (using the PVS Tool) but has not yet requested a GAP analysis. The Working Group commented that the application for STDF 323 (Senegal) required more work and that a PPG may be more appropriate in this case.

48. The Secretariat highlighted that the purpose of the STDF is to fund good projects, not good ideas. Where applications lack critical information (e.g. trade data, log frame, clear management structure, detailed budget, national commitment, etc.), the Secretariat's approach is to work with the applicant until a complete proposal is produced. It was acknowledged that, in some cases, the Secretariat may lack necessary technical or other information to include in the review. Therefore, reviews are circulated in advance of meetings and Working Group members have the opportunity to put projects back on agenda at the start of meetings. The Secretariat also noted that in some cases, applicants prefer to submit applications for projects (rather than PPGs) - even if they may have limited capacity to formulate the proposal.

# Project applications resubmitted from previous meetings

#### STDF/PG/301R1 – Implementing Salmonella Control Measures (Central America)

49. The Secretariat introduced the second revision to STDF/PG/301 and explained that the IBD is ready to co-finance this project. Members of the Working Group agreed on the need for data collection to inform standard development and implementation, as recommended by the Codex Committee on Food Hygiene, and noted that the revised proposal for STDF/PG/301 addresses some of the concerns raised by the Working Group in December 2009. However, there was agreement on the need to address some outstanding issues, including clarification of the linkages with related work in Codex, evidence of private sector support, more details on the activities proposed for each of the sectors covered, a detailed logframe, etc. The OIE reiterated the importance of good animal health controls for salmonella control, and noted that while Costa Rica and Honduras had carried out PVS evaluations and are waiting to do the GAP analysis, Guatemala has not requested a PVS. The Working Group agreed to request the applicant to address the outstanding issues and resubmit the proposal in July.

#### **PPG** requests

#### STDF/PPG/316 – Strengthening phytosanitary inspection and diagnostic services in Azerbaijan

50. The Working Group expressed support for the application but noted that the scope of the project may need to be extended to cover other activities (phytosanitary inspection services, information management, etc.) necessary for effective laboratory capacity. IPPC expressed strong support for the application, noting that Azerbaijan has done the institutional parts of the PCE evaluation and that the application contains the elements of a good project, even if it requires additional work and activities. In that context, the Working Group was asked to approve the request for project funding, subject to receipt of a good project document. Other members of the Working Group commented on the need to build on related activities in Azerbaijan, clarify institutional responsibilities for the coordination of quarantine and inspections services, and identify the target audience for training activities. Given the extent of work required to bring this application up to the standards required of a project proposal, the Secretariat proposed that a PPG is most appropriate. The Working Group agreed to approve the request as a PPG and for the Secretariat to work with the IPPC, the US and others to identify a consultant to start work as soon as possible and bring a project application back to the Working Group with a short turn-around time.

#### STDF/PPG/322 – National SPS Strategy and Action Plan for The Gambia

51. Some members of the Working Group raised concerns related to the ambitious nature of the proposal, inadequate information on the involvement of other ministries and the apparent existence of an SPS action plan. The EC noted that SPS capacity in the Gambia is weak and that the new ACP food safety systems programme could play a role in follow-up to any revised PPG, and should therefore be involved in the identification of SPS priorities. The OIE noted that the Gambia has carried out a PVS evaluation but not requested a GAP analysis. The Working Group agreed with the Secretariat's proposal to inform the applicant about the existence of a SPS strategy and request the necessary clarifications before further consideration of this request.

#### STDF/PPG/324 – Needs assessment and strategy for the development of Liberia's SPS system.

52. The Working Group agreed that the PPG request was relevant, however, concerns were raised regarding the absence of letters of support from concerned ministries and terms of reference, as well as the number of days for the consultant. Clarifications were requested on the links between the rationale presented for the establishment of an SPS competent authority and the proposed activities, as well as the objectives, and types of products/commodities to be covered. It was noted that Liberia (not an OIE member) has requested a PVS evaluation. The Working Group approved

the PPG request subject to the receipt of letters of support, and clarification of outstanding issues including an adequate number of days for the consultant.

### Project applications from or benefiting LDCs or OLICs

#### STDF/PG/302 – Support to the cabbage sector in the Niayes Region of Senegal

53. The Secretariat indicated that minor comments had been received from some members of the Working Group and that these would be taken into account. The Secretariat requested the Working Group to approve this request and consider inclusion of a new component to develop a cabbage strategy, which would require some additional financing. It was noted that the proposed project would complement activities planned under the PIP. The Secretariat clarified that this project is proposed for co-financing by the EIF and STDF, and while funds are expected to be available under the EIF, this is still to be confirmed. The Working Group expressed support for the co-funding arrangement and agreed for the EIF Focal Point to supervise implementation. The Working Group decided to approve this request. In the unlikely event that EIF funds are not available, it was agreed that the application would be reconsidered in July.

#### Project applications from or benefiting other developing countries

# STDF/PG/284 Strengthening the National SPS Committee (Honduras)

54. The Secretariat noted that STDF/PG/284 had been previously submitted to the Secretariat in 2009 but had not been tabled owing to weaknesses in the proposal. Members of the Working Group expressed support for the proposal. The EC noted that it would seek to ensure linkages with its ongoing and planned initiatives in Honduras. The Working Group approved the request.

# STDF/PG/318 National programme for the monitoring and integral management of contaminants (pesticides and mycotoxins) in selected export products (Ecuador)

55. The Secretariat informed the Working Group that a revised version of the project application, addressing most of the shortcomings previously identified, had just been received and the Secretariat therefore recommended approving this project. The Working Group sought the Secretariat's assurances that important outstanding issues (specifically sustainability, budget for laboratory equipment, scope of ISO certification activities, etc.) had been adequately addressed. The Secretariat agreed to circulate the revised project documents to the Working Group and provide a period for comments. The Working Group agreed to approve the project on the condition that no objections are received by <u>9 April 2010</u>. If any issues are raised, the project will be resubmitted for consideration in July.

# 7. Decisions on Financing and Prioritizing

56. The Secretariat explained that funds of just over US\$1 million had been approved. Given the availability of funds in the STDF trust fund, there was no need for a decision on financing and prioritizing at this point.

## 8. Other business

57. There was no other business and the meeting closed at 5.15 p.m.

# ANNEX 1

# List of Participants

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