SUMMARY REPORT OF THE STDF WORKING GROUP MEETING 18-19 MARCH 2013 WTO, GENEVA

1. ADOPTION OF AGENDA

1. The meeting was chaired by Mr Lars Børresen, First Secretary at the Permanent Mission of Norway to the WTO.

2. The agenda was adopted with one amendment: application STDF/PG/355 was removed from the agenda as requested by the beneficiary to revise the application and resubmit it for consideration at a future meeting. A list of participants is provided in **Annex 1**.

2. OPERATION OF THE FACILITY

(a) Presentation of draft Annual Report 2012

3. The Secretariat presented the main elements and conclusions of STDF's draft 2012 Annual Report, including the results of a survey circulated in December 2012 to STDF members, observer organizations and beneficiaries.

4. In 2012, various efforts were undertaken to further strengthen the STDF as a knowledge platform for information exchange, sharing experiences and the identification and dissemination of good practice, in line with STDF's mid-term strategy. Eight projects and three PPGs were approved for funding. Overall, stakeholders were positive about the Facility's work and highly valued its coordination role. To further improve current levels and use the STDF forum more effectively, more contribution may be needed on the part of partners, donors and other players in the area of SPS-related technical co-operation, for instance in terms of information-sharing and submission of relevant documents for inclusion in the STDF Virtual Library.

5. The Secretariat presented the results of the survey on the effectiveness of collaboration and application of good practice in SPS-related technical co-operation. Participants were reminded that the strategy indicates that members and beneficiaries will be consulted annually on these issues in order to measure progress in relation to certain indicators. The Secretariat acknowledged that the survey was a learning process and it intended to alter some of the questions in future surveys. It also suggested that the Working Group may want to reformulate some indicators that turned out to be quite difficult to measure and not specifically reflect results achieved by the STDF. In general, according to the survey, all targets were reached in 2012. The Secretariat's presentation can be viewed at: http://www.standardsfacility.org/Files/DocsWG/STDFSurvey_Mar-13.pdf.

6. The FAO noted that it was among the three partner organizations that had not been able to respond to the survey and that for future surveys, the FAO would like to have the opportunity to review it before being sent out to respondents. It also viewed that other survey options should be explored. The US noted that it was a useful questionnaire and agreed with the Secretariat's view that some questions should be revised.

7. The Secretariat noted that it would welcome additional comments on the draft 2012 Annual Report <u>by 2 April 2013</u>. The final report, incorporating the comments received, would be circulated shortly afterwards.

(b) Selection of vice-chairperson of the Working Group

8. The Secretariat welcomed expressions of interest from members for the position of vicechairperson of the Working Group in 2013 (and hence chairperson in 2014). The Working Group appointed Mr Craig Fedchock from the IPPC Secretariat as the new vice-chairperson.

(c) STDF Policy Committee meeting in 2013

9. The Secretariat reminded members that there had been no Policy Committee meeting in December 2012. In October 2012, the Working Group had decided that the Policy Committee should meet in 2013 to discuss the results of the mid-term review of the Facility.

10. The Working Group agreed to hold the next Policy Committee meeting on Thursday 12 December 2013 at WTO headquarters in Geneva.

11. The FAO requested to discuss the need to revise the STDF Operational Rules at the next Policy Committee meeting.

(d) Mid-term review of the STDF

12. The Secretariat introduced draft terms of reference for the mid-term review of the STDF and outlined the process. The purpose of the review will be to assess whether the STDF is performing in such a way as to achieve its strategic results, identify challenges and opportunities and recommend adjustments to the current mid-term strategy, if and where appropriate. A consultant/firm will be selected through a competitive bidding exercise in accordance with WTO Procurement Rules. The review will be guided by the proposed terms of reference and conducted in a participatory manner involving all STDF stakeholders. The consultant will elaborate on the proposed methodology, including data collection and analysis through desk reviews, telephone and/or physical interviews with STDF Secretariat staff, STDF partners, donors and developing country experts, surveys of beneficiaries and any other means deemed necessary. The budget allocated for the review in the 2013 Work Plan is US\$50,000.

13. The Secretariat invited Working Group members to provide comments and suggestions on the draft terms of reference. It also proposed to extend this comment period to 2 April 2013 and to give members the possibility to submit names of consultants to include on a shortlist.

14. Members generally emphasized the independent nature of the review and referred to the importance of having well-qualified procurement staff to lead this process. The FAO asked about the possibility of participating in the review of the technical bids. The Secretariat viewed that this may compromise the independent nature of the review, referred to the process that was followed for the EIF and suggested to discuss this issue with the FAO in more detail after the meeting.

(e) Financial situation

15. The Secretariat reported on the financial situation of the Facility and commented on the information and figures in the annotated agenda (<u>STDF/WG/Mar13/Annotated agenda</u>). The financial situation of the STDF is currently good and there seems to be continued interest among donors to contribute to the STDF. However, additional contributions are likely to be necessary to approve projects in October 2013 and continue implementing the 2013 Work Plan.

16. The Secretariat also noted changes in the way financial reporting is done by the WTO Budget and Finance Section. Actual expenditures are separated from budgeted expenditures, corresponding to contracted commitments (signed contracts) to be spent in a subsequent period.

Agenda item: 3 (g) (v) - Presentation by CABI

17. The Centre for Agricultural Bioscience International (CABI) (Roger Day) made a presentation on SPS-related capacity building assistance given by CABI to strengthen SPS systems in developing countries. The two main areas of CABI work are publishing products and international development and research. Regarding the latter, the representative referred to the Plantwise initiative to improve food security and the lives of the rural households by: (i) helping countries establish community-based plant clinics, which deliver practical advice to farmers; and (ii) establishing a central knowledge bank translating the researchers' knowledge into practical and accessible advice and feeding back information from farmers.

18. The presentation focused on the "Systems Thinking" methodology used by CABI for capacity development of SPS systems consisting of the following steps: (i) using system diagnosis

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tools, such as various SPS capacity evaluation tools; (ii) recognizing institutional context; (iii) facilitating networks and linkages between actors to provide channels for information flow, at national, regional and global levels; (iv) balancing power relations between suppliers and demanders of new knowledge; (v) strengthening the role of intermediaries, such as export promotion agencies, grower organizations, RECs, etc.; (vi) creating incentives for innovation; (vii) differentiated tacit and codified knowledge; and (viii) experimenting to learn from successes and also from failures to improve performance through an evolutionary process.

19. CABI specifically referred to STDF's function as a platform for sharing of "good practices" containing a number of the features previously described. His presentation can be viewed at: http://www.standardsfacility.org/Files/DocsWG/CABI_Mar-13.pdf.

3. ENHANCED COLLABORATION IN SPS-RELATED TECHNICAL COOPERATION (OUTPUT 1)

(a) Follow-up on STDF seminar on international trade and Invasive Alien Species

20. The Secretariat informed the Working Group on follow-up work undertaken after the seminar in July 2013. Work is being conducted by the Secretariat, with inputs from the IPPC, OIE and WTO, to finalize the study for circulation to the WTO SPS Committee in June 2013. Also the organization of a side-event during the Committee meeting was being considered. If available, the report will also be distributed at the OIE General Session in May 2013 and will be circulated through IPPC's network.

(b) Implementation of STDF work on SPS and trade facilitation

21. The Secretariat briefed the Working Group on progress in implementing STDF's work on SPS and trade facilitation. Recalling discussions at the previous Working Group meeting, the Secretariat noted that this work will be carried out in the context of Article 8 and Annex C of the SPS Agreement, which require SPS measures to be implemented in a way that facilitates safe trade. It was noted that no comments had been received from members following distribution of a revised background note on this work on 8 January 2013.

22. The Secretariat noted this work will include regional research in selected countries in Africa and Asia to examine: (i) SPS measures applied to selected products by particular exporting and importing countries, how they are implemented in practice (including the extent to which they are justified/necessary and/or least-trade restrictive from an SPS perspective); and (ii) ongoing initiatives to improve SPS protection and reduce trade transaction costs. The Secretariat is currently finalizing a contract and Terms of Reference with Kees van der Meer for the research work in Asia. Discussions are ongoing with TradeMark Southern Africa (which has offered additional resources to support this work) and COMESA as a means to initiate the research work in Africa. The Secretariat foresees that this work will be carried out in three stages: (i) preparatory phase that describes the products to be considered during the regional research, the countries concerned and methodology; (ii) in-country research work; and (iii) documentation and dissemination of the findings, experiences and recommendations. Comments will be sought from partners during this work and prior to the initiation of the regional research, draft research reports and other documents will be distributed to partners for feedback prior to finalization.

23. The Working Group thanked the Secretariat for the clarifications provided. The IPPC proposed some amendments to the Background Note, specifically the section on "new" approaches and tools since not all of those listed were new or internationally recognized as beneficial. Reference was made to the use by some countries of electronically issued certificates that require a manual signature, compared to the IPPC's fully electronic e-cert process and to the lack of international agreement on the use of preclearance as a phytosanitary measure. The Secretariat requested members to provide comments in writing so that they could be taken into account as this work moves forward.

(c) Progress on STDF/FAO/WHO study on international trade and domestic food safety

24. The Secretariat informed the Working Group on the status of the planned STDF/FAO/WHO study on international trade and domestic food safety. Further discussions are necessary to agree on the methodology, elaborate the terms of reference and agree on the selection of the consultant(s).

25. Members, including FAO and WHO, were requested to provide specific examples of projects and programmes focusing on market access which may have positive impacts on the domestic food safety situation. The FAO informed that it will assign relevant staff to be involved in the project once specific examples of projects have been received and selected for the research.

(d) Workshop to review and assess the MCDA Tool and work to date (24-25 June)

26. The Secretariat provided an update on plans to organize a workshop, as agreed by the Working Group in October 2012, to critically review the MCDA Tool, assess practical experiences in its use at the country-level, and discuss opportunities to improve the tool before it is finalized. Reference was made to the Background Note, distributed in advance of this meeting, which provided an overview of where and how the MCDA Tool has been used, as well as a provisional programme for the workshop. The aim of this workshop is to review the individual steps in the MCDA framework, discuss any queries or concerns with the methodology, and agree on practical options to introduce modifications to the methodology and way in which it is applied, etc. In addition, it will provide an opportunity to discuss potential synergies with official capacity evaluations tools and other relevant ongoing work of partners, including sectoral work that incorporates an MCDA approach. The Secretariat noted that this workshop is targeted at representatives of partners and interested donors, as well as experts from developing countries who have used the tool, and that the number of participants would be limited to approximately 40 persons.

27. Several members of the Working Group provided comments on the planned workshop and provisional programme and expressed strong interest and support for this workshop. The FAO and the IPPC thanked the Secretariat for proceeding with planning for a workshop to review the methodology but voiced the concern that the draft programme does not allow enough time for discussion and agreement on required modifications and clarifications. They stated their willingness to follow up with the Secretariat to review and revise the programme. The STDF developing country experts from Belize and Uganda shared feedback on how the MCDA Tool has been used in their country/region with considerable success. The expert from Belize reiterated the importance of identifying specific aspects of the tool that need to be improved during the workshop. The Secretariat expressed the view that time is needed on the first day to work through each of the steps so that participants can make informed comments and agree on ways to improve the framework, and noted that time is built into the workshop programme to analyse the experiences. Members generally agreed that understanding how the process works is essential to be able to analyse the experiences, particularly for those members of the WG who have not been involved in the use of the MCDA framework.

Agenda item: 3 (g) (v) - Presentation by USDA-APHIS

28. The United States Department of Agriculture (USDA) (Jessica Mahalingappa) presented the mission and responsibilities of USDA's Animal and Plant Health Inspection Service (APHIS). The presentation primarily focused on the activities of the International Technical and Regulatory Capacity Building (ITRCB) programme, which has the goal of building international pest and disease management capabilities in other countries. The ITRCB was established in 2007 as a central entry point and "clearinghouse" for international assistance. The ITRCB programme develops and implements standardized courses and works closely with universities and international organizations (e.g. FAO and CABI) to implement its activities.

29. It was noted that the ITRCB programme had begun the development of interactive distance training modules which are meant to be used in collaboration with face-to-face training. She highlighted that a distance education module on Treatments would be produced. The IPPC noted that IPPC's Phytosanitary resources page should have a link to this module once it has been completed. The Secretariat encouraged USDA-APHIS to share relevant documents related to the 4

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ITRCB programme in order to include them in the STDF Virtual Library. The presentation can be viewed at: <u>http://www.standardsfacility.org/Files/DocsWG/USDA_Mar-13.pdf</u>.

(e) Organization of STDF side-event during 4th Global AfT Review (8-10 July)

30. The Secretariat introduced a background note on a proposed STDF side-event during the 4th Global Aid for Trade Review (Geneva, 8-10 July 2013). The focus of the Review will be to examine strategies to connect developing country firms to international value chains, analyse how to move up the value chain and to discuss the benefits of connecting to global value chains. The STDF side-event, to be held on 9 July, would focus on the role and potential of PPPs to build SPS capacity as a means to help developing countries connect to value chains.

31. The Working Group supported the Secretariat's proposal to participate in the 4th Global Review as it constitutes an important milestone event. It would also be a cost-effective way to further increase STDF's visibility and to promote its work to a wider audience. The Working Group agreed to approve a small budget of US\$30,000 to cover the cost of participation of selected speakers from developing countries in the event.

32. The Secretariat requested members to provide specific comments and suggestions on the background note, as well as recommendations on concrete topics for discussion and possible speakers, by 2 April 2013.

(g) Information dissemination

(i) **Project to re-design the STDF website**

33. The Secretariat briefed the Working Group on progress made in re-designing the STDF website. With support from the IT Division of the WTO, terms of reference for the re-design of the website were drafted by the Secretariat. In the week prior to the Working Group meeting, the Procurement Section of the WTO sent out a call for expressions of interest from companies to develop the website. The Secretariat noted that, according to the agreed timetable, a workable prototype of the re-designed website would be presented at the next Working Group meeting in October 2013.

(ii) Update on the Virtual Library

34. The Secretariat informed the Working Group on the status of the STDF Virtual Library and provided a brief overview of 47 new documents added to the system since October 2012. A list of these documents was circulated at the meeting. This documentation was mainly collected by the Secretariat while carrying out its day-to-day work. The Secretariat requested members to provide feedback and - above all - to provide relevant SPS documentation for inclusion in the Library, including project documents (notably final reports that document specific results achieved), needs assessments, evaluation reports (of projects or programmes), cost-benefit analysis studies, as well as other research papers and articles.

(iii) Distribution of e-newsletter

35. The Secretariat informed the Working Group that the next STDF e-newsletter would be circulated towards the end of April. A total of 950 individuals are currently subscribed to the STDF newsletter mailing list and according to IP addresses, this list has subscribers from 128 different countries. The Secretariat invited members to submit relevant information that could be included in the third edition of the e-newsletter.

(iv) Participation in external events

36. The Secretariat briefly informed the Working Group on its participation in external meetings and events, since the last Working Group meeting in October 2012, and referred to the list of events available in the annotated agenda (<u>STDF/WG/Mar13/Annotated agenda</u>).

37. The Secretariat noted that conclusions and useful facts that emerge from these external events are normally disseminated through the respective reports of the meetings. Where

appropriate, the Secretariat will share relevant reports. Finland proposed that a short summary be provided of the main benefits for the STDF from having attended certain meetings. The Secretariat agreed that this could be done in the annotated agenda for the next meeting.

38. The WTO generally highlighted the usefulness of the STDF Secretariat participating in WTO regional training events.

(v) Dissemination of experiences and good practices

- Presentation by OECD

39. The OECD (Linda Fulponi) presented two studies from the Trade and Agriculture Directorate. The first one was an EU-funded study on estimating the constraints to agricultural trade of developing countries. The research consisted of three small case studies (Indonesia, Mozambique and Zambia) accompanied by an econometric analysis using a gravity model. Four constraint variables were identified in the study: political stability, infrastructure quality, secondary school enrolment rate, and freshwater availability. According to the study, the largest trade boost for the poorest countries comes from improvements in political stability and infrastructure. Prioritizing Aid for Trade programmes according to the ranking of constraints requires to be supplemented with information on the relative costs of different interventions. She highlighted the case study on Indonesia which contained a focus on SPS issues. The presentation can be viewed at: http://www.standardsfacility.org/Files/DocsWG/OECD1_Mar-13.pdf.

40 The second study dealt with measuring costs and benefits of non-tariff measures in agrifood. A cluster analysis was done on products that face the most NTMs and case studies were carried out on cheese, shrimp and cut flowers. The OECD presented the results of the case studies and showed some of the impacts on gross profits of the different types of regulation (from EU or OECD). In conclusion, the cost-benefit framework that was applied is flexible and adds economic dimension into assessment of measures, but still has serious data limitations. In the case of human health, cost benefit analysis is of limited use as it needs a broader approach which includes The OECD's presentation can risk assessment. he viewed at: http://www.standardsfacility.org/Files/DocsWG/OECD2 Mar-13.pdf.

- Other information from partners, donors, developing country experts and observers

41. The following documents were briefly presented under this agenda item: (i) WTO SPS technical assistance activities in 2013; (ii) Briefing note on EU's Better Training for Safer Food (BTSF) programme for non-EU member states (iii) Information on COMESA's relevant activities; (iv) IPPC capacity development activities; (v) World Bank document on measuring the impact of standards on agricultural exports of low income countries through a new index of restrictiveness; (vi) OIE relevant activities; (vii) African Union Commission's information on SPS activities; and (viii) ITC's SPS activities. All of the documents that were presented can be viewed at: http://www.standardsfacility.org/Files/DocsWG/STDF_Exchange_of_information_Mar-13.pdf.

- Presentation by the French Agency for Development (AFD)

42. The French Agency for Development (AFD) (Philippe Steinmetz) made a presentation on SPS-related capacity building and market access assistance offered by AFD. The strategic framework for AFD operations focuses on three pillars: (i) promote productivity and efficiency along agricultural value chains; (ii) policy for conducive environment for investment; and (iii) rural infrastructure. Existing SPS-related programmes include: (i) co-operation with international standards setting organizations and specialized institutions such as AU-IBAR; (ii) support for strengthening value chains; and (iii) complying with international standards. In the future, AFD plans to invest in: (i) the development of SPS infrastructure, (ii) regional programs owned by the RECs, such as the initiative to control fruit fly in West Africa, developed with support from the STDF; and (iii) publications and think tanks.

43. The AFD specifically referred to the initiative to control fruit fly in West Africa. In 2011, the Food and Agriculture Regional Agency (FARA) was created under the auspice of ECOWAS, the project owner, to coordinate the implementation of the programme. An additional study on the

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institutional framework for the programme, funded by the AFD, was finalized in 2012, and an additional contribution of 1.5 million Euros was granted by the AFD in December 2012. The total budget of the programme is 23.5 million Euros and will be funded by the European Development Fund (EFD), the AFD and countries' national budgets. The programme will include activities at the regional (training, surveillance, research) and national (complete and integrated fruit fly campaigns) levels. The latter is to be funded mostly by the private sector.

44. The AFD also referred to a specific project in Turkey to support compliance with EU standards and to the possibility of strengthening its collaboration and participation in STDF. The presentation can be viewed at: <u>http://www.standardsfacility.org/Files/DocsWG/AFD_Mar-13.pdf</u>.

45. The Working Group stressed the importance of coordinating the fruit fly work with other on-going initiatives such as the work done by the International Centre of Insect Physiology and Ecology (ICIPE), and also the need to explore ways to extend the programme to other regions on the continent.

4. IMPROVED CAPACITY OF BENEFICIARIES TO IDENTIFY NEEDS AND FORMULATE PROJECTS (OUTPUT 2)

46. Norway asked whether it would be prudent to have a discussion on how PPGs are being reviewed in Working Group meetings. In its perception discussions on PPGs in the last meetings had gone into too much detail. She noted that several WG members do not have the technical background for such discussion. The Secretariat made reference to the preliminary conclusions in the draft 2012 Annual Report with regard to project development and generally highlighted the purpose of PPGs (i.e. helping beneficiaries to explore the feasibility of ideas and turn these into technically sound and sustainable projects). It also noted that a balance may be required between the time dedicated to discussing PPGs and PGs in the Working Group and the actual amount of the grant. The IPPC noted that in previous meetings it had advised that PGs be dealt with before PPGs but that this change had never been made.

47. The FAO considered that a technical review of PPGs is necessary and in line with the operations of the Facility but acknowledged that the review process could be more efficient. It further noted that the Operational Rules of the STDF recognize the Working Group as having a technical function. Other members provided comments and thought that in particular the following elements should be considered in Working Group's discussions on PPGs: (i) the concepts behind the PPGs (rather than spending too much time on details, including issues that would be further explored during project development); (ii) whether there are other on-going/planned projects in a specific area; (iii) identification of consultants for feasibility studies and/or project development; and (iv) identification of donors to pick up resultant projects for funding.

48. Some members suggested that PPGs could be shorter (perhaps limited in the number of pages), with less detail. Other members, however, noted that the review procedure as it currently stands works quite well. Some members described their process for reviewing PPGs (and project) applications internally.

49. The IPPC suggested that the Secretariat be more strict in checking and making available to the Working Group the necessary information in the presentation of PPG applications, following the guidance contained in the Operational Rules of the Facility.

50. It was agreed that this issue would be further discussed at the next Working Group meeting under a dedicated agenda item. Members would also be invited to submit specific proposals on how to improve the process in advance of this meeting in order to have an informed discussion. The Secretariat highlighted that the mid-term review of the STDF may also include specific recommendations on this matter.

(a) Presentation of applications not accepted for consideration

51. The Secretariat gave a brief overview of the PG and PPG applications that were not tabled for consideration by the Working Group. The applications and the reasons for not tabling them were listed in document <u>STDF/WG/Mar13/Review.</u>

52. The IPPC suggested to the WG to perform an analysis of the benefits obtained through proposals presented to the STDF that are limited to regions within countries (provinces, states, etc.), explaining that the proliferation of territorially restricted proposals presented to the STDF is concerning, considering the mission of the STDF and the fact that international standards and the capacity building to help to implement and operate them, should not be focused in parts of a country.

53. Some members cautioned against putting in place conditions and viewed that projects should be reviewed on a case-by-case basis. Sometimes it can be relevant for a project to focus on a specific region within a country given different factors (e.g. size and type of country, production characteristics of certain regions, regionalization issues in the context of the SPS Agreement, etc.). The Secretariat noted that this issue could be further discussed at a future meeting, if necessary.

(b) Discussion of PPG applications

STDF/PPG/392 – Integrating SPS in Sierra Leone

54. The Working Group approved this PPG request. The FAO recommended that the development phase include an assessment of the infrastructural needs which is currently not reflected in the proposal. It was also noted that there is a significant need for legal assessment and institutional guidance. In response to a question posed by the Secretariat, the FAO noted that they would explore the possibility of piloting their new tool for evaluating national food control systems in Sierra Leone sometime after June 2013. The EU highlighted that the 2006 DTIS is currently being updated by the World Bank and thus this should be considered during the implementation of the PPG.

STDF/PPG/404 – Developing Virus Indexing Capacity for Planting Materials in Malawi

55. This PPG request from Malawi generated extensive discussion in the Working Group. While some members expressed support for this request, the IPPC raised a number of concerns. In particular, the IPPC pointed to technical concerns, procedural issues and questioned the pertinence of this application for the STDF, considering that its objectives were under the mission of one of the STDF partners, i.e. the FAO. Key IPPC concerns related, *inter alia*, to: the implausibility that the use of clean planting materials (on its own) would solve the problem and the need for additional strong complementary measures; the need for a regional approach; weaknesses in the legal phytosanitary framework in Malawi; and the over-ambitious nature of the proposed activities including issues related to the financial cost and sustainability. IPPC's specific comments are available on the STDF password protected website.

56. The IPPC recommended that, considering item (e) of Rule 11 of the STDF Operational Rules, the Working Group decides to recommend the applicant to approach the FAO for funding (through a "TCP project") and to inform the applicant that a less ambitious intervention, taking into account the needs of other countries in the region, may be more appropriate The applicant should also be recommended to work within regional initiatives, as the most appropriate way to address the BBTV problem.

57. Other members of the Working Group and the STDF Secretariat agreed that such questions were important and should be considered in detail during the feasibility study (including a study on BBTV in Malawi) to be carried out. As such, the findings and recommendations of the feasibility study would determine if and how a proposal for a project is formulated.

58. One of the STDF developing country experts recommended learning from experiences in other parts of Africa (notably Uganda) where the private sector is successfully engaged in virus indexing activities, and to consider opportunities to engage the private sector in this PPG. She also recommended that this PPG should be approved considering possible food security impacts for Malawi.

59. Given the likelihood that any possible project to be developed through this PPG may not be eligible for STDF funding, some members of the Working Group agreed that it would be important to actively consult all relevant development partners and potential donors from the outset. In this

context, the Secretariat requested the US and EU (key donors in Malawi) to indicate their possible interest in any project to emerge from this PPG.

60. The IPPC reiterated that in its view this PPG request is outside STDF's mission, which creates a negative precedent.

61. After lengthy discussion, the Secretariat proposed a way forward, i.e. to approve the PPG as recommended by the Secretariat (which includes an increase of the budget by up to US\$10,000, as required, given the potential scope of work), while taking all the issues identified and raised by the IPPC, as well as any other issues raised in the Secretariat's review, explicitly into account in the feasibility study and during the formulation of Terms of Reference and contracting of this PPG. The Secretariat also requested members to suggest names of suitable candidates for the PPG work. Candidates would need to have a proper technical background but also have knowledge of development/sustainability issues, identification of donors for the resultant project, etc. The Chair requested the Working Group if the way forward as proposed by the Secretariat was acceptable. Members made no further comments and the Chair concluded that this was the case.

STDF/PPG/432 – Information systems for surveillance and pest reporting in Asia-Pacific

62. The Secretariat noted that a preliminary draft of this application had been shared with CDC members and discussed at the Capacity Development Committee (CDC) meeting in Rome in December 2012. The application mentions that other countries than Malaysia, such as Thailand, Lao PDR, Cambodia, Indonesia, Vietnam and the Philippines, all have trade agendas for which pest lists and effective national information systems are essential. However, beyond Malaysia none of the countries had confirmed their interest in this initiative. Some expressions of interest would be welcome before implementing the PPG. The first PPG activity would be to organize a workshop to assess whether a demonstration project would be most effective if implemented on a sub-regional scale, a regional scale or a global scale.

63. The IPPC clarified that the CDC did not endorse this specific proposal and referred to the report of the 1st CDC Meeting. She noted that evidence of support of the eight countries that are specifically mentioned in the PPG should be provided. IPPC's specific comments are available on the STDF password protected website.

64. The Working Group approved the PPG application subject to the Secretariat receiving, prior to contracting: (i) additional evidence of support for the PPG activities from a number of NPPOs in the Asia-Pacific region; and (ii) letters of endorsement from the institutions involved in its implementation (i.e. the DAFF, the Department of Agriculture of Malaysia and ASEANET) highlighting their commitment and specifying their in-kind contribution to the PPG work.

(c) Overview of implementation of on-going PPGs

65. The Secretariat introduced document <u>STDF/WG/Mar13/Overview</u>, which provides an overview of the implementation status of all on-going PPGs.

66. The Working Group agreed with the Secretariat's suggestion to release the funds allocated to the PPG entitled "Strengthening the Competent Authority Analytical Laboratory for fish and other potential agricultural exportable products in the Solomon Islands" (STDF/PPG/370), approved in March 2012.

5. IMPROVED CAPACITY OF BENEFICIARIES OF STDF PROJECTS (OUTPUT 3)

(a) Discussion of project applications

STDF/PG/303 – Regional Total Diet Study for Sub-Saharan Africa

67. The Secretariat introduced this proposal and noted that it aims to enhance understanding of food contamination levels and origins in Benin, Cameroon, Mali and Nigeria through a regional Total Diet Study (TDS). The Secretariat recalled that the proposal originates from a PPG approved by the Working Group in June 2009 (STDF/PPG/303) and implemented by the Cameroon Pasteur Centre (CPC). A previous version of the proposal had been discussed in the Working Group in June

2011 but involved only Cameroon and Nigeria. The present version involves two additional countries, namely Benin and Mali. In June 2011, the Working Group supported the proposed TDS approach to risk assessment but identified some shortcomings in the project. The Secretariat noted that the present version adequately addresses previous concerns.

68. Some members expressed concern about the security situation in Mali and recommended that the implementing organization (i.e. the FAO) monitor the situation closely as it could affect the implementation of this project in that country. Several members noted that their organizations are currently continuing to support capacity development activities in Mali. The US noted that the costs of the project may exceed the budget given the number and variety of samples to be tested. The FAO assured the US that this issue had been rigorously discussed and verified at the national level during project re-formulation.

69. The Working Group approved funding for this proposal and agreed to exceptionally fund the entire amount requested - even though it slightly exceeded the US\$1 million ceiling in the STDF Operational Rules.

STDF/PG/345 – Feed and Food Security Program for Latin America and the Caribbean

70. The Secretariat introduced the proposal and highlighted its history. The Working Group reconfirmed that the application responds to a regional need and promotes increased dialogue between the feed industry and government regulatory agencies. In addition, it valued the participation and collaboration of FAO, OIE and IICA in providing technical and strategic advice to the project through a technical steering committee.

71. The Working Group approved this request for funding subject to: (i) detailed editing work of the project document, in order to summarize/synthesize some sections, clarify some terminology and revise the writing style in order to improve its flow of reading; (ii) ensuring the participation of the relevant OIE focal points, which could correspond to a minor revision of the project budget; and (iii) receipt of the remaining letters of support from the relevant government authorities and private sector organizations.

STDF/PG/308 – Development of an SPS Strategy in the Central African Republic

72. The Working Group decided not to approve this request for funding due to concerns over internal coordination and communication among the SPS competent authorities in the country. The IPPC informed the Working Group of an on-going FAO regional project (TCP/RAF/3312) for 10 central African countries (including the CAR), which includes training on and application of the IPPC PCE tool and the formulation of a phytosanitary action plan. It was unclear why the specific information about the performance of the PCE in CAR was not provided in the detailed quotation of objectives of project TCP/RAF/3312, that appears in the text of the project.

73. In addition, the OIE representative indicated that they have not received any formal request from the national Delegate to the OIE, although this project proposal includes the OIE PVS Gap Analysis as project component.

74. The Working Group recommended that the application be revised in order to: (i) avoid overlapping and inconsistency with the above-mentioned FAO regional project, in terms of the formulation of the phytosanitary action plan as well as awareness raising and training activities; (ii) clarify how sub-sectoral action plans will be linked to the national SPS strategy; and (iii) enhance the active participation, collaboration and communication between relevant SPS authorities. A revised application could be re-submitted for consideration by the Working Group at a future date.

STDF/PG/402 – Training of Trainers for Phytosanitary Capacity Development

75. The Chair introduced the application and noted that the STDF Secretariat appointed an independent external consultant to review the application, in accordance with the STDF Operational Rules. The Chair offered the IPPC an opportunity to present a document that was distributed to the Working Group with specific comments refuting some of the points highlighted in this review. A summary of the points highlighted by the IPPC Secretariat, after consultation with

the IPPC Capacity Development Committee, are the following: (i) IPPC does not share the view that the "training of trainers" proposal will be more relevant after the completion of technical resources through project STDF/PG/350; (ii) IPPC does not agree with the suggestion of a master degree curriculum as an alternative; (iii) one-on-one mentoring does not address the objectives and scale of the current training needs ; (iv) the evaluation does not sufficiently focus on the specific approach proposed in the project; (v) the evaluator focused on past investments in plant health issues rather than on the case and the budget of the project under review; and (vi) the terms of reference of the consultant were not clear enough. Additionally, the IPPC objected to the way forward suggested by the consultant, based on its financial implications that increased substantially costs and efficacy. IPPC's specific comments are available on the STDF password protected website.

76. The Secretariat considered the terms of reference for the consultant to be clear, i.e. to review and evaluate project application STDF/PG/402 in accordance with the STDF Operational Rules and based on the STDF review template. The evaluator was specifically requested to review the application based on the accuracy, clarity and completeness of the information provided in the application form, and according to the specific criteria detailed in the Operational Rules (notably para. 78, and also para. 39 in relation to partner projects).

77. The WTO noted that the evaluator's suggestion to wait for the completion of technical resources under STDF/PG/350 and then to look at how to use them to train NPPOs seems to be relevant and practical. It also shared WTO's experience in training-of-trainers programs and noted that there is a concern on their sustainability given the high turnover of officials. The FAO expressed concerns on the Working Group disagreeing with CDC recommendations.

78. The IPPC also presented some recommendations for future independent evaluations of projects and PPGs submitted by partners, including: (i) a single evaluator should not be charged in reviewing proposals coming from a global committee - issues regarding the pertinence of projects for the STDF should not be based on single opinions; (ii) the ToRs of the consultant need to be clear and reviews should not follow the format for review used by the Secretariat; (iii) the provision of additional information to the consultant needs to be focused on projects that are directly related, and only if needed; (iv) the STDF Secretariat needs to control the quality of the evaluation; and (v) the consultant should be asked to retain his/her personal preferences on other contents not related to the proposal and on other initiatives that are not under assessment.

79. In response, the Secretariat noted that it follows the procedure described in the Operational Rules for the review of STDF partner projects and that there is no reason for using a different format (other than the current review format approved by the Working Group) or criteria to evaluate projects submitted by STDF partners. The FAO noted that while it recognized the need to follow existing Operational rules, it seemed highly questionable that a single reviewer (regardless of his/her experience or competence) could be called upon to evaluate the recommendation of an international expert body such as the CDC of the IPPC. It suggested that this be carefully considered when the Operational Rules are being reviewed. On this point, the Secretariat agreed that alternative options could be submitted for further discussion. The Secretariat noted more generally that reviews need to be put in the context of other capacity building initiatives and that consultants therefore should be able to consider additional information. Finally, the Secretariat stressed that it prefers not to express an opinion on the quality of independent reviews in order to remain completely independent in the process. Reviews, and their quality, are for consideration by the Working Group.

80. It was concluded that these issues could be further addressed when reviewing the STDF Operational Rules. The Working Group agreed that this proposal could be considered again by the STDF at a future Working Group meeting, which could even be in October 2013. The IPPC Secretariat clarified also, that due to the importance of this initiative for the IPPC, the CDC would actively continue to look for financial support for the initiative.

STDF/PG/436 – Strengthening regional capacity in Latin America to meet pesticides export requirements based on international standards

81. The Working Group approved this regional project application for funding subject to: (i) the receipt of outstanding formal letters of support (from the Dominican Republic, Ecuador, El Salvador, Honduras and Nicaragua); and (ii) commitment by the project stakeholders to collaborate, where relevant, with the recently initiated EU-funded "Programa de Apoyo a la Creación de un Sistema Regional de Calidad y a la Aplicación de Medidas Sanitarias y Fitosanitarias en Centroamérica" (PRACAMS). The Secretariat indicated that preliminary discussions with the project stakeholders indicated their interest and readiness to coordinate with PRACAMS, building on successful collaboration with the EU-funded "PIP" in Africa. The Working Group agreed that engaging Latin American countries in the global MRL programme (which includes STDF-supported projects in Africa and ASEAN) would enhance this programme and create a unique opportunity for the STDF to observe, learn from and exchange experiences and lessons learned in the different regions.

(b) Decisions on financing and prioritization

82. The Secretariat reported that no decision on prioritization was required but highlighted that additional contributions will be necessary to approve any new projects in October 2013.

(c) Overview of implementation of on-going projects

83. The Secretariat introduced document <u>STDF/WG/Mar13/Overview</u>, which provides an overview of the implementation status of all on-going projects.

84. The Working Group granted the request for a 12-month, no-cost extension to complete the activities of the project entitled "Enhancing SPS capacity of Nepalese ginger exports through Public Private Partnerships" (STDF/PG/329).

(d) **Project evaluations**

85. The Secretariat informed the Working Group that three project evaluations were recently contracted and will be conducted in the first quarter of 2013 (STDF/PG/134, STDF/PG/246 and STDF/PG/116). Two additional evaluations are still outstanding (STDF/PG/126 and a combined evaluation of STDF/PG/255, 287 and 313) and will also be contracted in 2013.

86. The Working Group agreed to decide on the evaluation of new projects (i.e. those completed in 2012) at the next meeting in October 2013. These projects are: (i) STDF/PG/155: Market oriented SPS training services in Nicaragua; (ii) STDF/PG/238: Development of accredited HACCP certification scheme in Guatemala; (iii) STDF/PG/259: Strengthening SPS capacities for trade in Viet Nam; and (iv) STDF/PG/283: Support for SPS risk assessment in the mango export sector in Mali.

6. OTHER BUSINESS

87. The Secretariat indicated that the next Working Group meeting will be held on **15 and 16 October 2013**, prior to the SPS Committee meeting. It also invited Working Group members to submit written comments and proposals on how to improve the process for reviewing PPGs prior the meeting. The Secretariat reiterated that the Policy Committee will be held on **12 December 2013**.

88. The Secretariat recalled the deadline of Tuesday 2 April 2013 for submission of further comments on: (i) the draft Annual Report 2012; (ii) the draft terms of reference for the STDF mid-term review - as well as suggestions on firms/consultants to undertake the review; (iii) the background note and suggestions on topics and possible speakers for the STDF Aid for Trade side-event (on **9 July 2013**); (iv) the background note on STDF work on SPS and trade facilitation; and (v) the background note on the STDF MCDA workshop (**24-25 June 2013**). In particular, partners and donors were requested to indicate who will represent them in this workshop. Additionally, partners were requested to indicate whether they would need funding from the STDF to cover the costs of their participation. The participation of STDF's developing country experts will be covered by the STDF.

89. The meeting closed at 15:15.

ANNEX 1

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¹ Chinese Taipei is a WTO Member in application of Article XII of the Marrakesh Agreement (1994). WTO membership has no implication regarding the sovereignty of the Member pursuant to international law.

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