STANDARDS AND TRADE DEVELOPMENT FACILITY

ANNUAL REPORT 2009

Executive Summary

1. This report provides an overview of the STDF's operations in 2009 in accordance with the Medium Term Strategy (2007-11) and the Operating Plan for 2009. It addresses the four main areas of work defined in the Operating Plan: coordination, information dissemination, project development and project funding.

2. The STDF continued to put emphasis on its role as a vehicle for coordination and information exchange on the supply and receipt of SPS-related technical cooperation - as recommended by the evaluation of the Facility in 2008. This materialized at three different levels: global, regional and national. Information sharing among members and observers in the STDF Working Group was improved, while the STDF continued to disseminate information on its activities, and those of its members and observers, through the STDF website and various publications.

3. At the global level, two events were organized by the STDF in close collaboration with its partners:

- The joint STDF/World Bank expert seminar, entitled "Climate Change and Agriculture Trade: Risks and Responses" in Washington, D.C. on 22-23 September raised awareness among donors and developing countries about the importance of integrating the climate change dimension into their SPS-related technical assistance programmes. Participants agreed that strengthened food safety, animal and plant health systems are critical to tackling the challenges faced.
- The STDF workshop on the use of economic analysis to inform SPS-related decision-making was organized on the margins of the SPS Committee meeting in Geneva on 30 October. It raised awareness among the participants about the costs and benefits of investing in SPS capacity building and the role and use of different economic analysis methodologies. Economic analysis may be used more widely in developing countries to support decision-making and may be useful in attracting additional resources for addressing SPS supply side constraints.

4. The STDF initiated work on SPS performance indicators, in collaboration with the Organization for Economic Cooperation and Development (OECD), in the context of more rigorous monitoring and evaluation of Official Development Assistance (ODA) that is increasingly at the forefront of the international development agenda. Contacts were also established with the newly established Trade Facilitation Facility (TFF) at the World Bank to further explore the linkages between SPS and trade facilitation, as well as with various other organizations and initiatives working in the area of food safety, animal and plant health capacity building.

5. At the regional level, the STDF organized two "training-of-trainers" workshops for SPS officials of seven African regional economic communities in Nairobi (13-16 July) and Bamako (20-23 July). These events resulted from STDF's involvement in the "PAN-SPSO" project and were organized in close collaboration with the African Union Inter-African Bureau of Animal Resources (AU/IBAR) and the WTO, Codex, OIE and IPPC Secretariats. In addition, the STDF and the Economic Community of West African States (ECOWAS) organized a meeting in Bamako on 29-30 September where participants agreed on a coordinated multi-stakeholder approach to fruit fly control in West Africa.

6. At the national level, coordination was achieved through STDF's involvement in project development and implementation. Collaboration with the Enhanced Integrated Framework (EIF) was strengthened. Out of six project preparation grants implemented in 2009, five followed up on SPS issues identified in the action matrices in Diagnostic Trade Integration Studies (DTIS). The STDF also commissioned a scoping study and analysis of existing SPS coordination mechanisms in Africa at regional and national level, including recommendations on how to improve SPS coordination on the ground among the wide range of actors involved.

7. A major achievement in 2009 was the completion of the STDF film: "Trading Safely: protecting health, promoting development". The film was shown on various occasions, notably in the SPS Committee meeting in June and on the margins of the Second Global Aid for Trade Review in July. The film was subsequently used in a large number of WTO national and regional SPS-related training events and was widely distributed through STDF partners, donors and observers. Work was also initiated on the development of a shorter version of the film, as well as a short institutional clip about the mission and functions of the STDF.

8. The Secretariat undertook various other efforts to enhance the dissemination of information on its coordination and project activities. The content and functionality of the STDF website were significantly improved, resulting in a steady increase in the number of visits to the website. Work on further improvements to the website, notably in terms of design and user friendliness, started in the second half of 2009. Three newsletters were issued (in English, French and Spanish) in February, June and October providing information on the STDF and initiatives of its partners, donors and other actors in the area of SPS capacity building.

9. A new STDF publication on SPS-related capacity evaluation tools was published in February. It provides information on sectoral tools developed by international organizations related to food safety, animal and plant health, as well as cross-sectoral tools and related methodologies. In addition, three STDF Briefings were published on climate change and SPS risks and responses, the use of economic analysis to inform SPS-related decision-making, and on fruit fly control in West Africa. Finally, the STDF participated actively in various SPS-related meetings and training events of partners and members of the Facility, including the SPS Committee. Bilateral meetings were held and presentations on the STDF made to various donors.

10. The Working Group met on three occasions in 2009. It accepted seven project preparation grants as well as eight projects for funding by the STDF for a total value of [US\$ 3,033,158]. Four projects were completed in 2009 and evaluations are being planned. The STDF Policy Committee met in December 2009 and endorsed a new STDF Operating Plan for 2010-11.

11. Overall, the STDF met its target level of funding of US\$ 5 million as set out in the Operating Plan for 2009. In total, CHF 5,847,176 (approximately US\$ 5,603,749) was received in donor funding. In terms of staffing, a new Secretary of the Facility was selected. The Secretariat was further strengthened with one professional staff and one support staff.

12. In conclusion, targets for activities in 2009 have been fully met. Further efforts will be necessary to secure predictable funding to implement the Operating Plan 2010-11.

I. OVERVIEW

1. This annual report provides an overview of STDF's operations in 2009 in accordance with the <u>Medium Term Strategy (2007-11)</u> and the <u>Operating Plan for 2009</u>. It addresses the four main areas of work defined in the Operating Plan: coordination, information dissemination, project development and project funding. Sections II, III, IV and V provide a description of the activities undertaken in 2009 and results obtained. Section VI addresses the operation of the Facility.

II. COORDINATION

2. During 2009, the STDF continued to put emphasis on its role as a vehicle for coordination and information exchange on the supply and receipt of SPS-related technical cooperation at the global, regional and national level in accordance with the Medium Term Strategy, the Operating Plan for 2009 and the recommendations made in the <u>evaluation report of the Facility</u> (November 2008).

A. GLOBAL-LEVEL COORDINATION ACTIVITIES

STDF Working Group

3. Central to STDF's coordination role is the sharing and dissemination of information on existing and planned SPS-related capacity building activities and initiatives in Working Group meetings. In 2008, information sharing by partners, donors, developing country representatives and observers was included as a standing agenda item for Working Group meetings. The 2008 evaluation of the Facility recommended a greater emphasis on this aspect and suggested that information from partners, donors and observers be provided well in advance of Working Group meetings for circulation as working documents for each meeting.

4. In June and December 2009, the STDF Secretariat began to compile the information received prior to the Working Group meetings into a single document for wider circulation at the meetings and inclusion on the STDF website. In addition, various partners and donors made presentations on their SPS-related technical cooperation activities in the Working Group, including the European Union (EU), the World Organisation for Animal Health (OIE) and the World Trade Organization (WTO), as well as South-South donors including Argentina, Brazil and Chile.

Workshops and information sessions

5. The Secretariat organized two global-level thematic events in 2009: an expert seminar on SPS risks and climate change on 22-23 September and a workshop on the use of economic analysis to inform SPS-related decision-making on 30 October. For each of these events, the STDF financed the participation of some speakers and a limited number of developing country officials.

6. The first event, entitled "Climate Change and Agriculture Trade: Risks and Responses", was held in Washington, D.C. and organized in close collaboration with the World Bank's Development Research Group. The seminar sought to increase awareness about the implications of climate change for SPS risks and what is needed to address the challenges faced. Specifically, the objectives were to:

- present new research on the relationship between climate change and global trade flows, as well as the implications for food safety, animal and plant health;
- identify SPS-related challenges posed by climate change; and
- discuss the implications and priorities for SPS capacity building.

7. The seminar was attended by over 100 representatives from international organizations, regulatory and development agencies, research, academia and the private sector. The first day of the meeting focused on the connections between climate change, agricultural trade and food security. Presentations and discussions on the second day focused on SPS risks and responses to climate change. Speakers emphasized that climate change is already having impacts on food safety and animal and plant health and that these are likely to become more intense, with implications for the future development and implementation of SPS-related standards. While some countries have started to consider how climate change will affect agricultural production and SPS risks, many are still ignoring or denying the linkages. There was agreement that strengthened food safety, animal and plant health systems are critical to tackling the challenges faced. This would require more support to develop capacities in prediction, surveillance, diagnosis, risk assessment, regulatory frameworks, etc.

- Outputs: Presentations are available on the <u>STDF website</u>. A summary of the main findings and conclusions of the seminar is contained in STDF briefing N°2 (October 2009) in English, French and Spanish. A compilation of presentations, notes and background papers from speakers and session chairs is under preparation.
- Impacts: The seminar was the first event on this particular subject and raised awareness about the linkages between climate change and SPS issues. Both donors and developing countries were sensitized about the importance of integrating the climate change dimension into their SPS-related technical assistance programmes. Results of the seminar were further disseminated in subsequent meetings on climate change through presentations and distribution of the STDF briefing.

8. On 30 October, the Secretariat organized a workshop on the use of economic analysis to inform SPS-related decision-making in Geneva back-to-back with the October meeting of the WTO SPS Committee. The purpose of the workshop was to share experiences from countries and organizations that have used economic analysis to support SPS decision-making and demonstrate how economic analysis can generate information that is valuable to improve SPS decision-making and enhance the allocation of available resources. The specific objectives were to:

- present the findings of a report commissioned by the STDF, as well as experiences from various countries, related to the use of economic analysis to support decision-making in the SPS area, including decisions on where to allocate resources;
- share information on practical tools and approaches to incorporate economic analysis into SPS decision-making;
- identify challenges in expanding the use of economic analysis to inform SPS decision-making in developing countries; and
- seeking possible solutions to these challenges.

9. Ten speakers representing developing and developed countries, as well as international organizations, provided examples of the use of different methodologies to estimate the costs, benefits and returns on investments in food safety, animal and plant health capacity building (*ex post* and *ex ante*). Participants agreed that not only is economic analysis a practical tool to support decision-making processes and enhance the allocation of resources, but that it can also help to convince policy and decision-makers of the need to invest in SPS capacity building by demonstrating the financial benefits and cost-savings involved. The use of economic analysis generally promotes transparency, objectivity, and accountability in decision-making. Incomplete data and lack of required knowledge and skills, however, limit the application of economic analysis in many developing countries.

• Outputs: Presentations and workshop audio recordings, as well as guidelines on the use of economic analysis to inform SPS decision-making are available on the <u>STDF website</u>. An

STDF briefing summarizing the main findings and conclusions of the workshop (in English, French and Spanish) was published.

• Impacts: The workshop raised awareness among participants about the costs and benefits of investing in SPS capacity building and the role and use of different economic analysis methodologies. It illustrated that economic analysis (including cost-benefit analysis, cost-effectiveness analysis and multi-criteria analysis) may be used more widely in developing countries to support decision-making and may be useful in attracting additional resources for addressing SPS supply side constraints. Follow-up work is envisaged through pilot testing of different methodologies and the development of a practical user guide as part of the Operating Plan 2010-11.

SPS indicators

10. Discussions took place in the Working Group in February and June to determine the scope and level of ambition related to STDF's work on SPS indicators. The Working Group agreed not to commission research at this stage on the impact of SPS-related technical cooperation at an aggregate level (i.e. taking one or more countries and evaluating the overall impact of SPS-related technical cooperation over a specific time period). Instead, it decided that STDF's work in this area should focus on identifying the most common and pertinent indicators in the area of food safety, animal and plant health in order to: (i) better measure and monitor outputs, outcomes and impacts of SPS capacity building initiatives at project and programme levels; and (ii) ensure sustainability of SPSrelated technical cooperation.

11. The Secretariat started its work on SPS indicators in the second half of 2009, in collaboration with the Organization for Economic Cooperation and Development (OECD). Limited inputs were received from STDF partners, donors and observers in terms of specific examples of performance indicators, logical frameworks and general constraints faced in measuring performance. A progress report was given to the Working Group in December 2009. With further inputs from STDF partners, donors and observers, the Secretariat aims to complete the study in the beginning of 2010 and report to the Working Group at its next meeting in March 2010.

12. The work on SPS indicators builds on previous STDF/OECD work on Good Practice in SPS-Related Technical Cooperation in 2007-08 and should be seen in the context of more rigorous monitoring and evaluation of Official Development Assistance (ODA) that is increasingly at the forefront of the international development agenda. It is expected that better monitoring and evaluation will become all the more important in light of the financial crisis and future possible reductions in the availability of resources for SPS capacity building. An introduction to the STDF work was given at a joint meeting of the OECD Development Assistance Committee (DAC) and the OECD Working Party of the Trade Committee on Aid for Trade in Paris on 10 November.

Reporting on technical assistance flows

13. The Secretariat continued to explore possible ways to accurately track the supply of SPSrelated cooperation, *inter alia*, through using the WTO/OECD Trade Capacity Building Database (TCBDB), as recommended by the 2008 evaluation of the STDF. However, following a decision by the OECD to concentrate its reporting role under Aid for Trade on the Creditor Reporting System (CRS), the TCBDB was abolished. In 2009, the WTO initiated the development of the Global Trade Assistance Database (GTAD) which will include information about completed, ongoing and planned trade-related technical assistance, including SPS-related programmes. The development of this database is ongoing and is scheduled for completion in 2010. The Secretariat will continue to monitor the developments in this regard as part of its Operating Plan 2010-11.

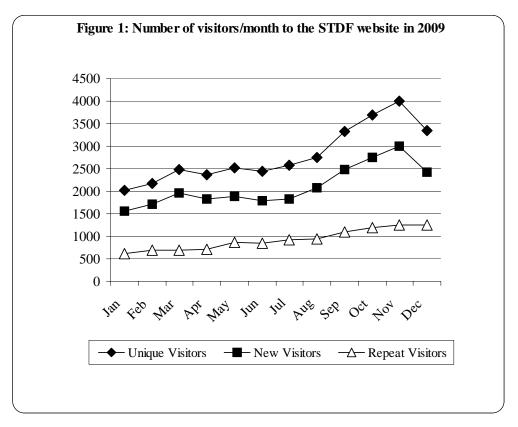
Compendium

14. Development of a compendium on SPS-related technical assistance providers has been part of STDF Operating Plans since 2007 but never materialized due to: (i) increased focus on the Working Group and the STDF website as platforms for information sharing on SPS-related capacity building activities; (ii) increased reporting on SPS supply side constraints and assistance flows at the national level; and (iii) the existence of similar instruments such as the Inter-Agency Resource Guide developed by UNIDO, which includes information on various providers of SPS-related technical cooperation (including the STDF).

15. Instead of developing a single compendium of assistance providers, the Secretariat focused its efforts on individual desk studies and country briefings. In 2009, a total of 14 desk studies and country briefings were included on the <u>STDF website</u>. In addition, a set of STDF briefings highlighting the main outcomes and impacts of the regional consultations in 2008 in Central America, East Africa and the Greater Mekong Delta sub-region organized under the Aid for Trade umbrella are currently under preparation and scheduled for completion in the beginning of 2010.

Website development

16. A number of improvements were made to the English version of the <u>STDF website</u> in April and to the French and Spanish versions in August 2009. Website statistics showed a steady increase in the number of visits to the STDF website in 2009 (Figure 1). Partners, donors and observers were encouraged to use the STDF website as a tool to exchange and disseminate information on their existing and forthcoming SPS activities and initiatives. Work on further improvements to the website started in the second half of 2009, in close collaboration with the IT Division in the WTO. These improvements relate, *inter alia*, to the design of the website, enhancement of its user friendliness, creation of a search engine, site map and calendar of events, and better reporting on projects (individual pages for all approved projects highlighting objectives, activities, results, documentation, etc.).



DVD development

17. The STDF film, entitled "Trading Safely: protecting health, promoting development", was completed in the first half of 2009 and shown in the WTO SPS Committee meeting on 24 June. Subsequently, the film was shown on the margins of the Codex Alimentarius Commission in Rome on 3 July and the Second Global Aid for Trade Review in Geneva on 6-7 July. A shorter version of the film was shown in the plenary session of Global Review. The film was also used in a large number of WTO national and regional SPS-related training events and widely distributed through STDF partners, donors and observers. The film can be viewed on the websites of the STDF and You Tube. A shorter version of the film, as well as a short institutional clip about the mission and functions of the STDF, are currently under development and will be available on the STDF website in the beginning of 2010.

18. Also available on the STDF website are links to relevant film material developed by other organizations including the Centre for the Promotion of Imports from Developing Countries (CBI) and COLEACP, a network of African, Caribbean and Pacific producers/exporters and EU importers of horticultural products.

Trade facilitation

19. STDF's endeavours towards the mobilization of additional resources for SPS capacity building can be leveraged within the broader context of Aid for Trade by a better synergy with the trade facilitation agenda. Examples of potential synergies were highlighted by STDF's regional consultation work in 2007-08. Hence, further exploration of the linkages between SPS and trade facilitation initiatives was one of the focal areas of STDF work in 2009. The Secretariat prepared two background papers which were discussed by the Working Group in the February and June meetings. Implementation of the following actions was agreed and initiated, and will be further pursued in 2010:

- Explore possibilities to participate in trade facilitation partnerships and networks, such as the Global Facilitation Partnership for Transport and Trade;
- Strengthen linkages with the recently established Trade Facilitation Facility (TFF) in the World Bank; and
- Make an inventory of existing trade facilitation capacity building programmes, their SPS elements, and funding possibilities, in collaboration with partners.

20. Contacts were established with the TFF in the second half of 2009. The Working Group agreed in June 2009 that the Secretariat will report to the Working Group on progress made at its first meeting in March 2010.

Contacts with other organizations and initiatives

21. The Secretariat developed and strengthened its contacts with other global-oriented organizations and initiatives working in the area of SPS-related technical cooperation as recommended in the 2008 evaluation and set out in the 2009 Operating Plan:

• <u>Enhanced Integrated Framework (EIF)</u>: The Secretariat undertook several efforts to strengthen its collaboration with the EIF Secretariat, also housed at WTO headquarters in Geneva. In practice, this collaboration materialized notably at country level (see paragraph 33-35 below). The EIF aims to support governments of Least Developed Countries (LDCs) in trade capacity building and integrating trade issues into overall national development strategies.

- <u>Foodborne Disease Burden Epidemiology Reference Group (FERG)</u>: The Secretariat participated in a stakeholder meeting in Geneva on 29 October on the margins of the third meeting of the FERG. At the meeting, the rationale for the estimation of economic costs and benefits of foodborne disease, as well as the purpose, strategy and progress of this initiative were presented by the World Health Organization (WHO). Similar to STDF's work on economic analysis, the WHO work on the burden of foodborne disease aims to inform decision-makers about the economic effects of foodborne diseases and encourage them to make additional investments in this area.
- <u>Food Safety Knowledge Network (FSKN)</u>: The Secretariat participated in and contributed to a roundtable on the development of the FSKN, organized by the Global Food Safety Initiative (GFSI) and Michigan State University (MSU) in Washington, D.C. on 28 September. The FSKN is a directory of open educational resources in the area of food safety. Its aim is to strengthen the food industry's response to the complex food safety knowledge and training challenges that affect emerging markets.
- <u>International Food and Agricultural Trade Policy Council (IPC)</u>: The Secretariat participated in a seminar entitled: "Food and Environmental Security, The role of food and agricultural trade policy" in Salzburg on 10-11 May, organized by the IPC. The Secretariat also participated in a subsequent meeting of the ICTSD-IPC Platform: "Climate change, agriculture and trade: Promoting policy convergence" on 12 May and made a presentation on the impact of climate change on food safety, animal and plant health. Finally, the Secretariat participated in a session on SPS transparency and implications organized by the IPC at the WTO Public Forum in Geneva on 30 September.
- <u>National Resources Institute (NRI)</u>: Meetings were held with the Natural Resources Institute (NRI) of the University of Greenwich on collaboration under its ASEC programme (*Agrifood Standards Ensuring Compliance Increases Trade for Developing Countries*), funded by the UK Department for International Development (DFID). Of particular interest were proposals to develop a tool for the assessment of the potential impact of SPS measures on developing countries, which complements the STDF work on economic analysis. The NRI participated in several STDF events, including the Working Group meetings (as part of the United Kingdom delegation). The NRI was also contracted to implement a PPG in Tanzania (STDF/PPG/268), aiming to establish an appropriate SPS institutional framework in the country.
- <u>Organization for Economic Cooperation and Development (OECD)</u>: The Secretariat participated in a joint meeting of the OECD Development Assistance Committee (DAC) and the OECD Working Party of the Trade Committee on Aid for Trade in Paris on 10 November. An introduction was given to the joint STDF/OECD study on SPS performance indicators and a presentation was made on the outcomes of the expert seminar on climate change and SPS risks and responses.
- <u>Trade Facilitation Facility (TFF)</u>: The Secretariat held a first meeting in Washington D.C. on 24 September with staff from the World Bank to discuss synergies and possible collaboration with the TFF. The TFF is a multi-donor trust fund launched in April 2009 to help developing countries improve their competitiveness through concrete improvements in their trade facilitation systems and by reducing trade costs. This may include the modernization of standards and technical control systems.
- <u>Trade Standard Practitioners Network (TSPN)</u>: The Secretariat exchanged information with the TSPN Secretariat to ensure synergies and monitor developments. Information on the STDF was included on the TSPN website. The Secretariat was invited to make a presentation at the TSPN Board meeting but this meeting was postponed to 2010. Conversely, the TSPN

Secretariat was invited to make a presentation on its activities to the Working Group in March 2010.

22. The Secretariat's contacts with regional organizations and initiatives working in the SPS area are outlined below.

B. REGIONAL-LEVEL COORDINATION ACTIVITIES

Regional consultations

23. In 2008, the STDF organized three regional consultations in Central America, East Africa and the Greater Mekong Delta sub-region within the wider context of Aid for Trade. At its meeting in June, the Working Group decided that an *ex post* external evaluation of this work would not be necessary, also taking into account the findings of the 2008 STDF evaluation report. As mentioned above (see paragraph 15), a set of STDF briefings highlighting the main outcomes and impacts of the regional consultation work is currently under preparation and scheduled for completion in the beginning of 2010.

24. The Working Group discussed the organization of one additional regional consultation - as foreseen in the Operating Plan 2009 - but agreed not to undertake another regional event at this stage. Further building on the results achieved in the first set of regional consultations in 2007-08 was considered important, while the resource-intensive and time-consuming nature of further regional events was also discussed. In 2010-11, the Secretariat will seek to organize additional regional events back-to-back and in close collaboration with partners, donors and observers. The focus of these events will be on: (i) onward dissemination of the results of STDF's coordination activities and projects; and (ii) promotion of the importance, and hence preparation, of SPS action plans at national, regional and/or thematic levels.

Fruit fly control in West Africa

25. Fruit flies seriously threaten agricultural production and productivity, reduce quality, disrupt trade and trigger huge financial losses, affecting livelihoods and food security. Importing countries impose strict quarantine measures to prevent the spread of fruit flies, limiting agricultural development and export potential in affected countries. In 2008, the STDF, the World Bank and the Economic Community of West African States (ECOWAS) initiated a coordinated multi-stakeholder approach to control fruit fly in West Africa. This culminated in a joint STDF/ECOWAS stakeholder meeting in Bamako on 29-30 September, hosted by the Government of Mali.

26. At the meeting, representatives of national governments, research institutes, the private sector, civil society and development partners endorsed a five-year Regional Action Plan prepared by COLEACP to control fruit fly in West Africa, budgeted at 25 million. Development of the plan had been funded by the STDF and the World Bank and complemented an earlier study funded by the European Union in 2007 on the damages inflicted by fruit fly on West African fruit production. The Regional Action Plan includes a detailed budget and suggests a set of institutional arrangements for its implementation.

27. Participants also adopted the Bamako Declaration, outlining a roadmap to implement the Regional Action Plan in the months ahead. This includes recommendations to governments and donors to prioritize fruit fly in national and regional planning and budgetary frameworks, and to include fruit fly as a topic for discussion at the planned regional ECOWAS Aid for Trade event in early 2010.

• Outputs: Presentations and other background documents are available on the <u>STDF</u> website. In addition, an STDF briefing (in English, French and Spanish) is under

finalization, outlining the results of the meeting and capturing the experiences and lessons learned. The Bamako Declaration encourages ECOWAS, donors and governments to work together to expedite implementation of the Regional Action Plan.

• Impacts: The workshop raised awareness at all levels about the importance of fruit fly control and highlighted the need for national and regional ownership. This includes mainstreaming the Regional Action Plan in budgetary and planning frameworks, both by donors and beneficiary governments. Whether in practice this will materialize can only be assessed over time. The Secretariat plans a first stocktaking exercise by mid-2010 and will continue to monitor developments in close collaboration with ECOWAS

Participation in PAN-SPSO project

28. The Secretariat participated in two Steering Committee meetings of the Participation of African Nations in Sanitary and Phytosanitary Standards-Setting Organizations (PAN-SPSO) project in Nairobi on 4 February and 5 October. This project, which runs until December 2011, is largely funded by the European Commission (totalling €3.35 million) and implemented by the African Union Inter-African Bureau for Animal Resources (AU/IBAR), in close collaboration with the African Union Inter-African Phytosanitary Council (AU/IAPSC), as well as seven regional economic communities (RECs) in Africa.¹ The STDF provides strategic and technical advice to the project and is a member of the Steering Committee. The WTO, Codex, OIE and IPPC Secretariats have observer status.

29. At the first meeting of the Steering Committee in February, it was agreed that the Secretariat would assist AU/IBAR in the implementation of three specific activities under the PAN-SPSO project, notably in relation to strengthening the SPS capacity of the RECs:

- Organization of two four-day SPS seminars (train-the-trainers approach, one English, one French) for relevant officials of the RECs as well as a number of selected African SPS experts to lay the necessary foundation and improve the quality of subsequent training to be provided under the PAN-SPSO project at regional and country level.
 - Two seminars were organized in Nairobi (13-16 July) and Bamako (20-23 July). Trainers from the WTO, STDF, Codex, OIE and IPPC Secretariats provided the participants - who were already familiar with the SPS Agreement, or the work of Codex, IPPC or OIE - with training materials and guidance to provide SPS-related training to others. A similar additional training event under the PAN-SPSO project is being planned in 2011.
 - Outputs: Up to 57 participants were trained and a complete training package was proposed that included material from the WTO, STDF, OIE, IPPC and Codex Secretariats.
 - Impacts: The evaluation of the PAN-SPSO project should reveal the impacts of both training events. It is up to AU/IBAR to monitor to what extent the participants will be used as trainers in training events at regional and national level scheduled in 2010.

¹ These are the Community of Sahel-Saharan States (CEN-SAD), the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), the Economic Community of West African States (ECOWAS), the Economic Community of Central African States (ECCAS), the Inter-Governmental Authority on Development (IGAD), and the Southern Africa Development Community (SADC).

- Scoping study and analysis of existing SPS coordination mechanisms at regional and national level to inform the further establishment of such mechanisms envisaged under the project.
 - Implementation of this activity was problematic due to the applicable PAN-SPSO rules and procedures on hiring consultants. At its meeting in June, the Working Group agreed to fund the scoping study from the STDF budget. Implementation of the work started in October and is expected to be completed in May 2010. The study will analyze the terms of reference, mandate and membership of existing coordination mechanisms and develop a set of guidelines/ recommendations on the feasibility and modalities available to further establish such mechanisms in Africa both at the regional and national level.
- Facilitation of observer status of RECs in meetings of the WTO SPS Committee, Codex, OIE and IPPC, where appropriate.
 - Given the proposed increasing role of RECs in SPS and standard-setting issues, it was recommended that they request observer status in the aforementioned bodies. A document outlining the requirements and procedures for observer status was provided to AU/IBAR for onward dissemination to the RECs. In 2009, the WTO Secretariat received a first request for observer status in the SPS Committee from ECOWAS. Requests from at least two other RECs are envisaged under the PAN SPSO project. The SPS Committee will consider these requests at its next meeting in March 2010. Limited resources will be available under the PAN-SPSO project to fund the initial participation of these RECs to SPS Committee meetings in 2010-11 and to organize briefing sessions. Synergies will be sought with Codex and IPPC meetings which are normally held prior to or immediately after meetings of the SPS Committee.

Contacts with other organizations and initiatives at regional level

30. Apart from the PAN-SPSO project, the Secretariat participated in a number of other SPS-related initiatives at the regional level and strengthened its contacts with the organizations concerned:

- A high-level conference and training week organized by the European Commission to launch its Better Training for Safer Food in Africa (BTSF-Africa) Initiative at the headquarters of the African Union Commission (AUC) in Addis Ababa, from 30 March to 2 April. This was followed by a PPG request from the AUC to the STDF to conduct a scoping study on its role and functioning, and that of the RECs, in the SPS area (STDF/PPG/305). The Working Group approved this request at its meeting in June. The study is currently being implemented and preliminary results will be presented at a meeting organized back-to-back with the next meeting of the PAN-SPSO Steering Committee scheduled in March 2010. The final report will be available in May 2010.
- The East Asia and Pacific Regional Agribusiness Trade and Investment Conference, organized by the World Bank and the International Finance Corporation in Singapore on 30-31 July. This event sought to initiate a long-term effort to stimulate increased intra-regional trade and investment in the agrifood sector, consistent with best practices in critical areas such as assuring compliance with food safety, environmental and social standards.
- The Asia Pacific Economic Cooperation (APEC) Food Safety Cooperation Forum (FSCF), held in Singapore on 30 July. This event discussed successes and challenges faced in strengthening food safety systems within the APEC region.
- A workshop on WTO SPS Measures, organized by the Asian Development Bank Institute (ADBI) in collaboration with FAO, held in Bangkok from 8 to 11 September. Thirty mid-

level and senior agriculture officials were briefed on recent developments in the WTO SPS Committee and current STDF activities.

- Contacts were strengthened with three regional development banks. Discussions were held with the Inter-American Development Bank (IDB) on the funding and implementation of several projects developed by the STDF. The Secretariat also participated in a National Aid for Trade Dialogue held in Lima on 3 March, which identified enhancement of SPS performance as one of the Aid for Trade priority areas. Information was received from the IDB for dissemination to the Working Group.
- The Asian Development Bank (ADB) provided information on the draft SPS Action Plan for the Greater Mekong Sub-region, which built on the STDF regional consultation work in 2007-08.
- The Secretariat received an invitation from the African Development Bank (AfDB) to participate in a meeting on AfDB's future role in trade capacity building and technical assistance but this meeting was postponed to 2010.

C. NATIONAL-LEVEL COORDINATION ACTIVITIES

Coordination with partners and donors

31. Coordination with partners and donors on the ground occurred notably in the development of PPGs and in the review of PPG and project applications. The aim was to avoid duplication of efforts and mobilize external resources to fund and implement resultant projects. By the end of 2009, however, two projects developed from PPGs were funded from other sources. One difficulty observed by the Secretariat relates to donors having different funding cycles in place. In addition, donors tend to follow different rules and procedures and use different project templates. Larger multi-year SPS-specific or broader donor programmes that contain SPS elements are often not flexible enough to insert new activities along the road, even when they tend to be rather limited in scope (such as STDF projects). Measures to improve this situation were proposed as part of the Operating Plan 2010-11.

32. The scoping study and analysis of existing SPS coordination mechanisms at regional and national level under the PAN SPSO project (see paragraph 29) was another activity initiated by the Secretariat to improve SPS coordination on the ground, notably among the various stakeholders involved (different ministries and government agencies, private sector, consumer organizations, academia, etc.).

Coordination with the EIF

33. Coordination with the EIF was strengthened in 2009. A reference to the STDF (and to the use of SPS-related capacity evaluation tools) was inserted in the revised Diagnostic Trade Integration Studies (DTIS) template. The STDF made a presentation in the EIF Focal Point Global Workshop in Geneva on 8-10 July, while the EIF Secretariat participated in several STDF events. Lessons from the EIF monitoring framework were taken into account in the joint STDF/OECD study on SPS indicators (see paragraph 10-12). In addition, Mr Ke Sovann from the Permanent Mission of Cambodia was nominated by the EIF Board in 2008 to represent the interests of LDCs in the Working Group meetings in February and June. Discussions among the LDCs about a new LDC representative in STDF meetings, and the endorsement of the selected candidate by the EIF Board, are still ongoing. Pending a decision, Mr Lucas Saronga, chair of the LDC Group (Tanzania) observed the Working Group and Policy Committee meetings on 10 and 11 December.

34. At country level, the Secretariat ensured that projects were developed on the basis of needs expressed in the DTIS of the relevant countries. As of the end of 2009, 26 out of 37 PPG applications resulted in projects benefiting LDCs. Five out of six PPGs implemented in 2009 followed up on SPS issues identified in DTIS action matrices.² PPG activities in two LDCs are ongoing (Madagascar and Tanzania).³

35. As stated in the Operational Plan 2009, the STDF should provide expert advice to the EIF on all SPS-related technical cooperation matters, either itself or through STDF partner organizations. In 2009, one DTIS validation workshop took place in Guinea Bissau. The Secretariat provided comments on its draft DTIS which were subsequently taken into account in the final DTIS. A PPG benefiting Guinea Bissau was approved by the Working Group in December.

Coordination with Aid for Trade

36. The STDF provided various inputs to the Aid for Trade process in 2009. Overall, STDF's objective in this regard was to further raise the profile of SPS issues as "supply side" constraints for developing countries in international trade, and notably for LDCs. Coordination with the Aid for Trade Unit in the WTO was strengthened and links to the STDF were included on the Aid for Trade gateway on the WTO website. The STDF participated actively in the Second Global Review on Aid for Trade in Geneva on 6-7 July, on the margins of which the STDF film: "Trading Safely: protecting health, promoting development" was shown. A shorter version of the film was shown in the plenary session of Global Review.

37. As mentioned above (paragraph 30), the STDF participated in a National Aid for Trade Dialogue in Lima on 3 March, which identified enhancement of SPS performance as one of the Aid for Trade priority areas. During the second half of 2009, the Secretariat commented on the draft Aid for Trade work programme for 2010-11 (endorsed by the WTO Committee on Trade and Development in November) and identified the areas for future STDF work in the context of Aid for Trade.

III. INFORMATION DISSEMINATION

38. Various activities to disseminate information and increase awareness about STDF's coordination and project activities were carried out in 2009. First and foremost, as mentioned above, the content and functionality of the STDF website was improved in English, French and Spanish (see paragraph 16). Work on further improvements to the website started in the second half of 2009. In addition, the STDF film was finalized, shown on several occasions, and widely distributed through STDF partners, donors and observers. A shorter version of the film, as well as a short institutional clip about the mission and functions of the STDF, are under development (see paragraph 17-18).

39. A new STDF publication on SPS-related capacity evaluation tools was published in February. The publication resulted from the global-level STDF workshop on this topic in 2008 and provides information on sectoral tools developed by international organizations related to food safety, animal and plant health, as well as cross-sectoral tools and related methodologies. The publication is a useful reference for all those interested in evaluating capacity needs in the SPS area. The document is available in print and on the <u>STDF website</u> and has been distributed at various training events.

40. Three STDF newsletters were issued in 2009 providing information on the STDF as well as activities and initiatives carried out by its partners, donors and other actors in the area of SPS capacity building. The newsletters are available in English, French and Spanish, in print and on the STDF website. In view of expanding the readership of the newsletter, the Secretariat also started work on

² STDF165, 191, 221, 242, 268, 302.

³ STDF 165, 268.

the creation of an e-mail distribution list to enable easy subscription and diffusion. This work will be completed in the first quarter of 2010.

41. Three STDF Briefings were published on climate change and SPS risks and responses (October), the use of economic analysis to inform SPS decision-making (December) and fruit fly control in West Africa (December). Three additional STDF Briefings highlighting the main outcomes and impacts of STDF's regional consultation work in 2007-08 are currently under preparation and scheduled for completion in the beginning of 2010.

42. Finally, in addition to the events mentioned in paragraphs 21 and 30 above, the Secretariat participated in several other meetings and SPS-related training events of partners, donors and observers, and made presentations on the STDF. The Secretariat informed the SPS Committee on the STDF's operations at its meetings in March, June and October. Information on the STDF was also provided to the annual sessions of Codex, OIE and IPPC.

- Codex Regional Coordinating Committee for Africa (CCAFRICA) in Accra, Ghana from 24-27 February;
- Regional WTO SPS seminar in Lesotho from 8-11 June (for English-speaking SADC countries);
- Regional WTO SPS seminar in Cameroon from 16-19 June (for French-speaking countries in West Africa);
- Regional WTO SPS seminar in Lao PDR from 3-7 August (for Asian countries);
- National WTO SPS seminar in Indonesia from 6-8 October;
- 18th and 19th Geneva Week for non-resident WTO members and observers in Geneva from 25-29 May and from 26-30 October;
- 5th WTO Specialized Course on SPS in Spanish in Geneva from 12-30 October;
- Meeting of the WTO LDC sub-Committee in Geneva on 12 June;
- EIF Focal Point Global Workshop in Geneva on 8-10 July;
- Expert Consultation on UNIDO's Trade Capacity Building Approach in Vienna on 16-17 November.

43. Finally, bilateral meetings were held and presentations made to the following donors: Finland (28 January), Switzerland (27 April), EC (2-3 June), and the United States (24-25 September), including meetings with United States Department of Agriculture (USDA), the United States Agency for International Development (USAID) and the Millennium Challenge Corporation (MCC).

IV. PROJECT DEVELOPMENT

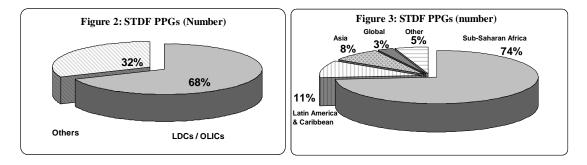
44. A target of six PPGs to be funded through the STDF was set in the Operating Plan for 2009. A total of 10 applications for PPGs were received in 2009.⁴ Seven of these applications were accepted for funding (see Table 1), reflecting an approval rate of 70 per cent.

⁴ STDF 286, 298, 302, 303, 305, 308, 309, 310, 311, 312.

Table 1: PPGs approved in 2009

PPG Number and Title	Beneficiary	LDC /	STDF
		OLIC	funding \$
STDF/PPG/309: Support to build an SPS management	Guinea Bissau	Yes	30,000
system in Guinea Bissau			
STDF/PPG/262: Strengthening veterinary services and	Mali, Niger, Burkina Faso	Yes	19,600
promoting market access of animal products from Sahel			
countries to North Africa			
STDF/PPG/298: Capacity Building Programme on	Cameroon, Côte d'Ivoire,	Yes	30,000
Pesticide Residues and other Harmful Substances in Cocoa	Ghana, Nigeria and Togo		
in Africa			
STDF/PPG/286: Accessing new ornamental plant market	Costa Rica	-	30,000
by reducing phytosanitary issues through participatory			
research and extension			
STDF/PPG/302: Project Preparation Grant to support the	Senegal	Yes	25,631
competitiveness of cabbage in the Niayes region			
STDF/PPG/303: Project preparation grant to conduct a	Sub-Saharan Africa	Yes	20,000
total diet study for Sub-Saharan Africa			
STDF/PPG/305: Institutionalising SPS for agricultural	African Union	Yes	30,000
health and food safety systems in Africa			
Total			185, 231

45. Since the inception of the STDF, a total of 38 PPGs have been approved of which 26 (68 per cent) benefited LDCs and/or other Low Income Countries (OLICs) (Figure 2). Figure 3 shows the breakdown of PPGs by region. In terms of project development, 74 per cent of project development was undertaken in Africa, 11 per cent in Latin America and the Caribbean, and 8 per cent in Asian countries.



46. Thirty PPGs have been completed, resulting in corresponding project proposals. Of these, twelve projects were approved and funded by the STDF, while eleven projects were funded/are seeking funding from external sources.

V. PROJECT FUNDING

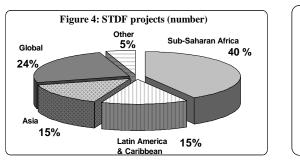
47. The STDF Operating Plan for 2009 sets a target to fund six projects during the year of 2009. In 2009, a total of 21 applications for project funding were received. Of these 14 projects were considered at STDF Working Group meetings (some of these applications were considered at more than one Working Group meeting).

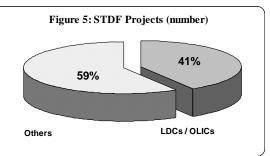
48. In 2009, eight projects were approved for funding by the STDF, totalling 2,847,927 US\$ (Table 2).

Project Number and Title	Beneficiary	LDC / OLIC	STDF funding \$
STDF/PG/172: Expanding exports of sesame seeds and sheanut/ butter through improved SPS capacity building for private and public sector	Nigeria	Yes	339,240
STDF/PG/283: Support for SPS risk assessment in the mango export sector	Mali	Yes	454,530
STDF/PG/300: Develop a combined e-learning curriculum and web-based information system for food standards	Ghana	Yes	242,798
STDF/PG/313: Continuation of the West African Fruit Fly Initiative (WAFFI) in 2010	West Africa	Yes	562,671
STDF/PG/238: Development of accredited Good Practices and HACK certification schemes for fresh and processed food products	Guatemala	-	422,118
STDF/PG/259: Strengthening Vietnamese SPS Capacities for Trade	Viet Nam	-	533,770
STDF/PG/267: Devising a national GAP programme and a commercial GAP standards in the Philippines	Philippines	-	210,000
STDF/PG/287: Information sharing initiative on the actions to control fruit flies in Sub-Saharan Africa: publication of a newsletter	All Sub- Sahara African countries	Yes	82,800
Total			2,847,927

Table 2: Projects approved in 2009

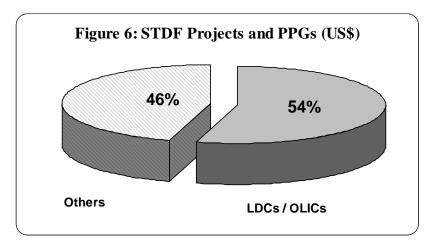
49. Since the inception of the STDF, a total of 41 projects have been approved for funding by the STDF. Figure 4 indicates that 40 per cent of STDF projects have been awarded to Sub-Saharan Africa, 15 per cent to Latin America and the Caribbean, and 15 per cent to Asia. In addition, 24 per cent of projects can be classified as global. Overall, 41 per cent of the number of STDF projects were dedicated to LDCs and OLICs (Figure 5).





50. As of the end of 2009, 18 projects were completed, 15 projects were ongoing, and eight projects were awaiting contracting. Nine completed projects were evaluated and evaluation of two other STDF projects were ongoing and expected to be completed in 2010.

51. Figure 6 below indicates that since its inception the STDF has dedicated 54 per cent of its project resources (including project development and project implementation) to LDCs and OLICs.⁵



52. An overview of projects approved for STDF funding in 2009 is presented below.

53. *STDF/PG/238: Development of accredited good practices and HACCP certification schemes in Guatemala.* This project will develop and implement accredited inspection and certification schemes for HACCP for processed food products as a means to improve the capacity of public authorities to control the safety and quality of food production and exports. Activities will include: (i) the development of a legal framework for HACCP-based inspection and the use of accredited laboratories and inspection agencies, development of inspection manuals addressing HACCP, training for laboratory technicians, and improvements to be made to the Laboratory Proficiency Testing Unit. The project will be implemented by the Guatemalan Exporters Association in collaboration with the Ministry of Economy and the National Technical Training Institute. The project will be supervised by the *Organismo Internacional Regional de Sanidad Agropecuaria (OIRSA)*.

54. *STDF/PG/259: Strengthening Vietnamese SPS Capacities for Trade.* This project aims to enhance market access for Vietnamese fresh vegetables by strengthening SPS capacity and improving the safety and quality of fresh vegetables based on a value-chain approach. Capacity building activities will address SPS compliance including the establishment and implementation of safety and quality systems, technical aspects of horticulture production, good agricultural practices (GAPs), traceability, branding and business management. The project will be implemented by the National Fruit and Vegetable Research Institute (FAVRI), which is affiliated to the Ministry of Agriculture and Rural Development, in collaboration with FAO. The private sector will also be involved in the implementation of the project.

55. *STDF/PG/267: Devising a national GAP programme and a commercial GAP standards in the Philippines.* This project was approved subject to the identification and approval of external funding for a complementary capacity building component. The project aims to develop an effective stakeholder network to support the development of a coherent and holistic national GAP programme and examine the need for and added value of commercial GAP standards for fresh horticultural produce destined primarily for export. The project will be implemented by the Philippines Exporters Confederation and Post-harvest Horticulture Training and Research Centre, in collaboration with the

⁵ The STDF has a target to devote at least 40 per cent of Facility project resources to LDCs and OLICs.

United Nations Conference on Trade and Development (UNCTAD) and the consultancy company "QA Plus Asia-Pacific".

56. *STDF/PG/287: Information sharing initiative on the actions to control fruit flies in Sub-Saharan Africa: publication of a newsletter.* This project was approved in support of STDF's coordination activities on fruit fly control in West Africa. The project aims to develop and disseminate nine electronic newsletters per year, in both English and French, on fruit fly in sub-Saharan Africa. The newsletter will be disseminated to stakeholders in government, private sector, NGOs, multilateral and bilateral donors. The newsletter will promote dialogue between these stakeholders with a view to reaching a sustainable response to the fruit fly problem on the African continent. The project is implemented by COLEACP, in collaboration with the Centre de coopération Internationale en Recherche Agronomique pour le Développement (CIRAD).

57. STDF/PG/172: Expanding exports of sesame seeds and sheanut/ butter through improved SPS capacity building for private and public sector. The project aims to improve the quality control for sesame and shea through training in good agricultural practices and HACCP in sesame seed and shea nut production and supply chain and developing a manual on safety and quality in Nigerian shea and sesame. Discussions are ongoing on implementation of the project by the International Trade Centre (ITC).

58. *STDF/PG/283: Support for SPS risk assessment in the mango export sector.* The project aims to improve Mali's capacity to comply with international and private SPS standards in the mango sector through updating national legislation, setting up a traceability system and enhancing SPS capacity in the private and public sector.

59. *STDF/PG/300: Develop a combined e-learning curriculum and web-based information system for food standards.* The project aims to develop a combined e-learning curriculum and web-based information system for food standards. It will generate and make available new web-based tools and learning / delivery methods for professionals in the public and private sectors in Ghana, which could subsequently be made available to stakeholders in other parts of Africa.

60. *STDF/PG/313: Continuation of the West African Fruit Fly Initiative (WAFFI) in 2010.* This project is the continuation of phase I (2008) and II (2009) of the West African Fruit Fly Initiative (WAFFI) whose objective was to conduct a regional training program that encompassed eight countries in the sub-region and aimed at controlling fruit fly in 15 selected agro-ecological regions. Phase III of WAFFI takes into account and will be followed by implementation of the Regional Action Plan to control fruit fly in West Africa. The project will be implemented by IITA in collaboration with CIRAD.

Implementation of ongoing projects

61. From January to December 2009, contracts were concluded and implementation started for the following six projects, which were approved in 2008 and 2009:

- STDF/PG/116: Establishment of a traceability system for the livestock sector in Costa Rica
- STDF/PG/126: Support for the establishment of the Horticulture Development Council of Tanzania
- STDF/PG/230: Establishment of Pest Free Areas for Lethal Yellowing Disease in Coconuts
- STDF/PG/246: Development of SPS Action Plan for Cambodia

- STDF/PG/255: Regional Initiative on the fight against fruit flies in West Africa
- STDF/PG/287: Information sharing initiative on the actions to control fruit flies in Sub-Saharan Africa: publication of a newsletter.

Projects completed in 2009

62. The following projects were completed in 2009. An independent external evaluation will be conducted and assess their impact (except for STDF/PG/79):

63. *STDF/PG/79: Quality information on SPS issues – a prerequisite for capacity building.* The project, implemented by FAO, improved information sharing on official standards established by Codex, OIE and IPPC (and supporting scientific evaluations) through the International Portal on Food Safety, Animal and Plant Health (IPFSAPH). Activities consisted of upgrading the system, verifying its usability and making adjustments where needed. Two modernisation projects involving the WTO and OIE took place within the lifetime of this project (in addition to work with the Codex and IPPC Secretariats within FAO). The IPFSAPH team (content manager and programmer) assisted in developing requirements for new external users to access data more systematically.

• Outputs: The main output was a modified system for collecting data more efficiently (and with improved quality in terms of accuracy and timeliness) from source sites, requiring less maintenance efforts. This output consisted notably in: (i) the launch of new Rich Site Summary (RSS) feeds from OIE's website; (ii) a new interface design and additional functionality of the portal rolled out in July 2008; and (iii) a 60% increase in the size of the content of the portal (around 42,000 records). Moreover, a set of documents and promotional materials resulted from this project including: (i) a downloadable user guide in English, French and Spanish; (ii) information display stands for use at international meetings; (iii) a general information brochure/leaflet in English, French and Spanish; and (iv) a project report.

64. *STDF/PG/69 (Yemen): Improved capacity to ensure safety and quality of Yemeni seafood products.* The project was implemented by the International Trade Centre (ITC). It aimed at enabling the Yemeni Seafood Exporters Association (YSEA) to develop the capacity of its members to better meet SPS requirements and thereby improve the quality and safety of seafood products from Yemen.

• Outputs: The main outputs of the project were: (i) a guide on food hazards and risk assessment for fish processing in Yemen; (ii) three Arabic language YSEA codes of practice for fishing vessels, fish landing sites and fish processing enterprises; (iii) a national SPS strategy for the Yemeni fisheries sector to promote sanitary conditions throughout the fish supply chain; (iv) an YSEA strategy for the period 2009-15; (v) a registered YSEA quality mark including measures and guidelines concerning its award; (vi) the YSEA website designed, including information on relevant international markets regulations, and launched to the public and other relevant stakeholders including YSEA members; and (vii) a project report.

65. *STDF/PG/133: Building capacity to use the Phytosanitary Capacity Evaluation (PCE) Tool in the Pacific.* The project was implemented by the Secretariat of the Pacific Community (SPC) and monitored by the IPPC Secretariat in FAO. The first part of the project consisted of a regional workshop on the use of the phytosanitary capacity evaluation (PCE) tool. The workshop was attended by representatives from Cook Islands, Fiji Islands, French Polynesia (France), Kiribati, Nauru, Marshall Islands, New Caledonia (France), Niue, Papua New Guinea, Samoa, Tuvalu, Vanuatu, Wallis & Futuna (France), Australia and New Zealand. The second part of the project assisted ten countries in the Pacific region (Cook Islands, Fiji, Kiribati, Niue, Palau, Samoa, Solomon Islands, Tuvalu, Papua New Guinea and Vanuatu) to evaluate their national phytosanitary capacity.

• Outputs: The project resulted in a documented application of the PCE tool in the ten countries involved. The PCE results were considered in the design of several SPS-related initiatives including: the AusAID funded 'Pacific Horticultural and Agricultural Market Access (PHAMA) program, a research proposal to the Australian Centre for International Agriculture Research (ACIAR) on fumigation techniques and an AusAID funded Agriculture Research and Development Support Facility in Papua New Guinea.

66. *STDF/PG/145: Rwanda Horticulture Export Standards Initiative (RHESI).* The overall objective of this project was to facilitate expanded horticulture trade from Rwanda by establishing a sound SPS management system in Rwanda. Project activities notably targeted regulatory and institutional capacity gaps so that government agencies and the private sector can instil domestic and international confidence that fruits, vegetables and flowers from Rwanda are free of pests and diseases, safe for human health, and safe for the environment. The project was implemented by Michigan State University (MSU) and supervised by the World Bank office in Rwanda.

Outputs: One of the foremost accomplishments of the project was the development of two pieces of legislation, i.e. the Plant Health Law and the Agrochemicals Law. Under the project, Rwanda became a party to the International Plant Protection Convention (IPPC). The Phytosanitary Capacity Evaluation (PCE) tool was completed at an early stage of the project. A study on the costs and benefits of compliance with SPS and private horticulture standards was carried out and an SPS horticulture action plan was developed and adopted by key stakeholders, including the private sector. Horticulture export requirements for regional and international markets were documented. The Rwanda fruit fly surveillance programme was established and - with support from the United States - links were made to the East Africa Phytosanitary Information Council (EAPIC). Two scientists received basic taxonomy training. Through the EAPIC, the Rwanda National Plant Protection Organization (NPPO) developed a web site, is able to share pest information, updated its pest list, and is now regularly informed of important phytosanitary issues emerging in the region. Finally, SPS training materials for the NPPO were developed and used in various training activities. Training material on Integrated Pest Management was translated into French and Kinyarwanda. The materials were also presented to the National University of Rwanda for curriculum development.

Projects evaluated in 2009

67. Three projects were subject to independent external evaluations in 2009:

68. *STDF/PG/173:* Assessing capacity building needs of food control systems in developing APEC Member Economies. Implemented by Food Standards Australia New Zealand (FSANZ) together with FAO, this project aimed to equip food safety authorities in developing APEC economies with the tools and skills to carry out structured capacity building needs assessments of their food control systems and subsequently develop capacity building action plans in consultation with concerned stakeholders.

- Outputs: The main outputs were as follows: (i) 20 participants from nine APEC Member Economies gained new knowledge and skills on the use of FAO food safety capacity assessment tools during a five-day workshop in Beijing (November 2007); (ii) participants from seven countries reported that they had assessed food safety needs and developed capacity building actions plans following the Beijing workshop; and (iii) participants from one country reported that the FAO assessment tools were used to support the process of developing a new national food safety law.
- Impact: According to the external evaluation, the project was "instrumental in the dissemination of useful evaluation tools/training materials and in supporting the exchange of

experiences among participants regarding common challenges, the functioning and structure of national food control systems, etc." However, "the ways in which this would be reflected in the improved performance of the national food control system to provide a safe supply of food for consumers, and therefore, contributing to improved public health, is difficult to assess".

69. *STDF/PG/19: Model arrangements for SPS stakeholder involvement at the national level.* The overall goal of the project was to identify a way to improve SPS-related information flows as well as information sharing between the public and private sector with positive spin-offs for market access in two pilot countries: Paraguay and Sri Lanka. The evaluation of the project focused on its implementation in Paraguay. The project was implemented by Abt. Associates.

- Outputs: Key results were the formation of a national SPS Committee in Paraguay, improved infrastructure and capacity for the NEPs and the construction or improvement of a number of websites tailored to subject matters and SPS interests of the varying stakeholders. Unfortunately, certain other key outputs were not effectively achieved or delivered during the life of the project, notably the national SPS *Portal de inocuidad* and the manual for best practices for coordination of SPS information.
- Impact: The project had a positive impact in Paraguay by improving the SPS infrastructure, coordination among stakeholders, and awareness among private stakeholders of the relevance of SPS information. The establishment of a national SPS Committee in Paraguay has played a central role towards the achievement of this goal. However, lack of communication between the implementation agency and the local authorities was, according to the beneficiaries, the most important factor hindering implementation of the project.

70. *STDF/PG/20: Country-based plans for SPS-related development.* The purpose of the project was to demonstrate an integrated approach for planning and executing SPS capacity-building, with special emphasis on enhancement of export market access, in two pilot countries: Peru and Uganda. The project was implemented by Agra CEAS Consulting Ltd.

- Outputs: The main outputs were the construction of an analytical framework for identifying SPS-related issues and challenges faced by agro-food exports and for undertaking cost-benefit analysis of capacity-building options, the application of this framework to two study countries, Peru and Uganda, and the development of a national action plan for SPS capacity-development in Peru.
- Impact: The project was successful in supporting the development of a national action plan in Peru, although at the time of the evaluation it was not possible to ascertain whether this plan, adopted by stakeholders, had resulted in greater and more appropriate resource flows to SPS capacity-building. According to the evaluation, the implementation of the action plan will ultimately determine the "higher-level" impacts of the project. In Uganda, it was not possible to identify if such a plan was developed.

VI. OPERATION OF THE FACILITY

71. Three Working Group meetings took place in Geneva on 27 February, 25-26 June and 10 December, each one attended by an average of 40 participants. The meetings were chaired by Mrs Sophie Flensborg from the Permanent Mission of Denmark. Mr Rien Huge from the Permanent Mission of the Netherlands acted as vice-chair in 2009 and will assume the chair of the Working Group in 2010. The United States agreed to become vice-chair of the Working Group in 2010. In addition, one meeting of the STDF Policy Committee took place on 11 December, hosted by the World Bank at WTO headquarters in Geneva.

72. Developing countries were represented at the Working Group meetings of February and June by Mr Larry Lacson (plant health expert, the Philippines), Mrs Jennifer Rathebe (food safety expert, South Africa) and Mr Carlos Correa (animal health expert, Uruguay). Mr Ke Sovann from the Permanent Mission of Cambodia represented the LDCs at these meetings.

October, Washington Otieno health expert, 73. In Mr (plant Kenya), Ms Chaweewan Leowijuk (animal health expert, Thailand) and Ms Antonieta Urrutia (food safety expert, Chile) were selected and nominated as developing country representatives for a period of 18 months. They participated in the Working Group and Policy Committee meetings in December. Consultations among the LDCs about the nomination of an LDC representative in replacement of Mr Ke Sovann were ongoing at the end of 2009.

74. Japan joined and Australia re-joined the Facility in 2009 as members. In addition, representatives from Argentina, Brazil and Chile observed the Working Group meetings in February and June 2009. The new chair of the WTO SPS Committee, Mrs Miriam Chavez, participated as an observer in the Working Group in February.

75. In terms of staffing, in September 2009 Mr Melvin Spreij was selected as the new Secretary of the Facility. Mr Simon Padilla joined the Facility in January 2009 as a full-time professional staff member. Mr Panos Antonakakis, who was previously shared on a 50 per cent basis with the Development Division, transferred to the Facility as a full-time professional staff member in June 2009. Ms Diana Korka joined the Secretariat in February 2009 as a full-time administrative assistant. Temporary staff (Ms Farah Farooq) was hired to replace Mrs Kenza Le Mentec during her maternity leave.

76. The Operating Plan for 2009 was based on a target level of funding of US\$5 million. A total of CHF 5,847,176 (approximately US\$ 5,603,749) was received in donor funding in 2009.

Annex: STDF Operating Budget for 2009

SUB-CHAPTER	Description	STDF Ref.	Budget Estimate	Actual	Actual USD @
STDF			USD	CHF	1.04
	ns and Co-ordination				
Technical missions	36 Technical missions			78,401	75,137
Working Group	STDF WG meetings			38,507	36,904
Evaluation	EX-POST EVAL. STDF 13			5,460	5,233
Evaluation	EX-POST EVAL. STDF 19			15,533	14,886
Evaluation	EX-POST EVAL. STDF 20			990	949
Evaluation	EX-POST EVAL. STDF 114			8,168	7,827
Evaluation	EX-POST EVAL. STDF 173			8,880	8,510
Regional	WORKSHOP CLIM. CHANGE	STDF 292			60,918
Activities Regional		5101 2/2		63,564	00,910
Activities	WORKSHOP EC. ANALYSIS	STDF 291		67,107	64,313
Regional Activities	REG. FRUIT FLY	STDF 225		164,612	157,759
Regional Activities	STDF DVD PRODUCTION	STDF 228		172,926	165,727
Regional Activities	STUDY SPS COORD. MECHAN.	STDF 306		35,800	34,310
Regional Activities	RESEARCH INDICATORS			3,404	3,262
Regional Activities	REG. CONSULTATIONS	STDF 175		-399	-382
Total			674,000	662,952	635,352
Project Develop	nent			, .	
PPG	PPG	STDF 116		-2,514	-2,409
PPG	PPG	STDF 105		-2,473	-2,370
PPG	PPG	STDF 191		-480	-460
PPG	PPG	STDF 221		-2,870	-2,751
PPG	PPG	STDF 234		-1,479	-1,417
PPG	PPG	STDF 232		30,334	29,071
PPG	PPG	STDF 242		18,145	17,389
PPG	PPG	STDF 268		22,720	21,774
PPG	PPG	STDF 286		29,345	28,123
PPG	PPG	STDF 302		26,217	25,126
PPG	PPG	STDF 305		31,410	30,102
PPG	PPG	STDF 303		20,780	19,915
PPG	PPG	STDF 298		31,170	29,872
PPG	PPG	STDF 262		19,620	18,803
Total			225,000	219,924	210,768
Project Funding					
PROJECT	PROJECT	STDF 110, 9, 89		-32,280	-30,936
PROJECT	PROJECT	STDF 114		-11,247	-10,779
PROJECT	PROJECT	STDF 146		-20,233	-19,391
PROJECT	PROJECT	STDF 145		-57,217	-54,835
PROJECT	PROJECT	STDF 69		-13,979	-13,397
PROJECT	PROJECT	STDF 108		-62,531	-59,928
PROJECT	PROJECT	STDF 134		12,339	11,825
PROJECT	PROJECT	STDF 133		-2,058	-1,972

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PROJECT	PROJECT	STDF 48		8,059	7,724
PROJECT	PROJECT	STDF 170		21,761	20,855
PROJECT	PROJECT	STDF 171		24,175	23,168
PROJECT	PROJECT	STDF 173		-15,621	-14,971
PROJECT	PROJECT	STDF 116		523,412	501,622
PROJECT	PROJECT	STDF 246		185,565	177,840
PROJECT	PROJECT	STDF 255		319,846	306,531
PROJECT	PROJECT	STDF 287		92,893	89,026
PROJECT	PROJECT	STDF 126		287,986	275,997
PROJECT	PROJECT	STDF 230		343,507	329,207
Total			2,700,000	1,604,378	1,537,585
Operating Expenses					
HR	STDF staff expenditures			769,473	737,439
OTH	Miscellaneous			8,403	8,053
Total	-	-	600,000	777,877	745,492
Sub-total			4,199,000	3,265,130	3,129,198
Overheads	-	=	545,870	424,467	406,796
GRAND TOTAL			4,744,870	3,689,597	3,535,994