

Facilitating partnerships to enhance SPS capacity

Partnerships engage stakeholders in collective action based on shared objectives. The purpose is to achieve more together than would be possible alone. Various types of partnerships to improve sanitary and phytosanitary (SPS) capacity and compliance have emerged in recent years, with governments, the private sector and others deciding to pool resources, and share information and technical capability in pursuit of a common goal. While sometimes challenging to initiate, implement and/or manage, available experiences point to the benefits of a partnership approach.

This briefing note summarizes the key findings and conclusions of a workshop, "Public-Private Partnerships in Support of SPS Capacity", which examined partnerships focused on SPS-related capacity building and co-regulation. Close to 100 experts attended this event, organized by the Standards and Trade Development Facility (STDF) in collaboration with the Ministry of Agriculture, Nature and Food Quality (LNV) of The Netherlands and the World Bank Institute (WBI), in The Hague on 4-5 October 2010, followed by an excursion to the Port of Rotterdam (6 October 2010).

What types of partnerships exist and how do they work?

Over the last decade, diverse types of partnerships have emerged in an effort to enhance capacity in food safety, animal and plant health. Usually described as public-private partnerships (or PPPs), in many cases these partnerships are actually driven by the private sector. Multiple partners are often involved.

Some of these partnerships bring together actors – at the international, regional, national and/or sub-national level – to address specific SPS capacity constraints and/or take advantage of market opportunities, sometimes as part of larger initiatives focused on agricultural value chain development or trade facilitation.

Preconditions for partnerships

- National demand and ownership
- Clear and measurable objectives
- An open mind-set, alignment of cultures and expectations
- Commitment and trust
- Leadership
- Good governance and transparency
- Basic capacity of actors involved

Others are centred on co-regulatory approaches whereby public agencies engage the private sector to supply services (e.g. laboratory testing, inspection, certification, training), traditionally provided by government. Some partnerships have emerged following the adoption of a risk-based approach along the supply chain, others out of financial crises or trade bans.

These partnerships need to operate in different ways depending on local circumstances and the actors involved. The capacity of local government (e.g. fragile versus over-centralized states) and private sector partners (e.g. existence of representative industry, producer and/or exporter associations) also affects their operation. Where the public sector is weak, donors often play a useful role as facilitators. However, creation of unfair competition and market distorting effects should be avoided.

Actors approach partnerships from their own perspectives. For governments, they are often a way to cut expenditures, share risks or stimulate innovation. For industry, they are frequently seen as a new business model to shift towards chain responsibility in international supply chain management. For donors, partnerships are often a means to encourage new "actors in development" and better reach small-scale producers.

Key messages

- Partnerships are an important tool to help achieve the Millennium Development Goals (MDGs). They can also enhance implementation of the Aid-for-Trade Roadmap, as well as national and regional initiatives to boost agricultural productivity.
- Ownership, trust, commitment and transparency are essential for successful partnerships.
- PPPs that improve safety and quality for the domestic market should be encouraged, as well as PPPs focused on international market access.
- Donors can help facilitate the emergence and development of PPPs, particularly in fragile or weak states. However, partnerships must be demand-driven to be sustainable.
- When well-designed, implemented and managed, PPPs can enhance the delivery and quality of SPS public goods at both a national and regional level.
- The success of co-regulatory models depends on the commitment and capacity of businesses to self-regulate, and the regulator's ability to find and maintain an optimal monitoring and oversight role.
- More work is needed to measure the impact of PPPs.

Promoting a partnership approach to enhance SPS capacity

Recognize that collaboration improves results. Ensuring SPS compliance is a shared responsibility that involves both the public and private sector. Partnerships allow private and public organizations to combine their expertise to share the risks and costs of designing, implementing and maintaining activities to improve SPS compliance. “Traditional” roles need not be compromised through collaboration.

Ensure ownership. Partnerships should be demand-driven. Local buy-in and ownership of producers, exporters and their associations is key to ensure long-term sustainability. Finding ways to engage small farmers should be encouraged. Member-driven organizations can play a valuable role in promoting ownership and enhancing accountability.

Encourage a “mindset” change. Public and private sector actors often have different organizational cultures and may be suspicious about each others motives. A willingness to try new ways of doing things is essential, coupled with effective leadership. It is also important to view the private sector as more than simply a source of funds.

Some examples

- In Uganda, the competent authority has a partnership with a private laboratory, whereby the latter provides support to verify pesticide residues and heavy metals to facilitate fish exports.
- In South Africa, the national plant protection organization, the citrus industry and growers’ association, and research institutes have created partnerships to implement phytosanitary controls, thereby improving market compliance and supporting export-driven job creation.
- Public and private collaboration in the Dutch “RiskPlaza”, a web-based system to support food safety inspection, auditing and early warning, has generated improved understanding of the risks faced, reduced auditing and administrative burdens, and improved compliance.
- The Food Safety Knowledge Network is a global partnership involving food producers, manufacturers, industry, retailers, public agencies and others, in India, China, Egypt and elsewhere, to improve the knowledge and skills of food safety professionals.

Identify and agree on shared objective(s). All the parties involved must mutually agree on their shared interests and objectives. This requires willingness to consult, listen and engage from the outset. Good communication is essential.

Consider design and management. Resources to manage collaborative arrangements should be identified and allocated, as required. Where financial resources are involved, or trust is limited, it is advisable to base the partnership on a legal agreement that clearly defines its scope and operation.

Promote good governance and responsible business practices. Partnerships perform best in a stable environment characterized by transparency, good governance, integrity and trust. Appropriate reforms and policies to ensure an enabling environment, and minimize corruption, should be encouraged.

Effectively manage the risks faced. SPS-related partnerships should avoid creating unfair competition and/or market distorting effects. In donor-facilitated partnerships, top-down approaches and dependency on external funding should be avoided.

Align regulatory objectives. Co-regulation is most likely to appear where related public and private objectives and interests are aligned. A flexible regulatory framework that is able to adapt to changing risk profiles and emerging issues is necessary to ensure that food safety controls are risk-based, proportionate and transparent. This is particularly crucial for encouraging voluntary compliance, as well as efficient allocation of limited regulatory resources.

Measure impact. Experiences point to the benefits of PPPs, including their role in increasing agri-food exports, improving food safety and quality for the domestic and/or export market, reducing duplication, and lowering costs through effective industry self-regulation. Some work is underway to measure the added-value of partnerships for agricultural development. This should be supported. Additional efforts to measure the impact of SPS-related PPPs are warranted.

Scale-up PPPs for the delivery of SPS public goods. When well-designed, implemented and managed, multi-stakeholder partnerships can enhance the delivery and quality of SPS public goods at a national and/or regional level. Some regional initiatives – such as the Comprehensive Africa Agriculture Development Programme (CAADP) – have recognized this potential and opened up new space for partnerships.

Further information

- Other examples of SPS-related PPPs, as well as presentations from the workshop, are available on the STDF website: www.standardsfacility.org/TAPPP.htm