

Standards and Trade Development Facility

Grant Application

**Development of a strategy and action plan for selected African
regions to enhance public and private sector capacity in
meeting sanitary standards for international trade of livestock
and livestock products**

Submitted by the World Organization for Animal health (OIE)
2004

GRANT APPLICATION FORM

1. Project title	A strategy and action plan for selected African regions to enhance public and private sector capacity in meeting international sanitary standards in international trade of livestock and livestock products
2. Requesting government/agency or private body	OIE, with participation of its African Regional Representation and governments of countries in two regions (to be selected from Eastern, Western or Southern Africa.)
3. Collaborating government(s)/agency	The Directorates of Veterinary Services, and their public and private sector stakeholders
4. Project objectives <u>Attach</u> description of project background and rationale.	Develop regional strategies for Eastern, Southern or West Africa** for enhancing Veterinary Service's and other stakeholders capabilities for export of livestock and livestock products with special emphasis on improving animal disease surveillance, reporting and control and the implementation of international animal sanitary standards according the WTO-SPS Agreement.
5. Project activities Itemise main elements here and <u>attach</u> a detailed work plan, dissemination plan and evaluation plan.	<ul style="list-style-type: none"> (i) A field review of current capacity in setting and implementing modernized Veterinary Services, complying with sanitary standards for international trade according to the SPS Agreement in selected African Regional Economic Commissions (RECs), with particular emphasis on public-private collaboration; (ii) A desk review to summarize new initiatives on the strengthening of Veterinary Services, including public-private partnership in the enforcement of sanitary standards. (iii) On the basis of (i) and (ii) the preparation of draft regional strategies for strengthening public and private capacity to enhance export trade of livestock products, and protect health of domestic livestock resources, and public health; (iv) Policy level workshops in each of the two regions, to discuss these strategies; (v) Preparation of country specific pilot projects including improvements and modernization of Veterinary Services and public-private partnerships in each of the two selected zones*; (vi) Preparation of a toolkit for scaling up SPS animal standards implementation, including training modules etc.
6. Private/public sector co-operation Detail the arrangements for public/private sector co-operation, if any, in the project.	Throughout the development of the strategy, particular emphasis will be placed on private sector involvement and the encouragement of official and active collaboration between representatives of the private sector and professional organizations with the officials of the Veterinary Services.
7. Partner institutions involved If appropriate, identify STDF partner institutions that will be involved and describe the nature of that involvement.	Regional Representation of the OIE, FAO, ALive

* Final tender will indicate which two regions are selected

<p>8. Project outputs Specify outputs in detail and show relationship to key STDF objectives including capacity enhancement, improved market access and trade opportunities, linkages to country or regional program development priorities, public-private co-operation, innovativeness, demonstration effects, etc</p>	<p>Agreed upon regional strategy documents on establishment and enforcement of trade-related sanitary regulations, with the involvement of the private sector; Pilot projects in two countries on strengthening public good component of Veterinary Services and public-private partnership in cost-effective sanitary control and delivery systems</p>
<p>9. Project inputs Specify total project cost. Attach detailed breakdown of proposed uses of funds.</p>	<p>High-level consultant team with (a) Veterinary epidemiologist, specialist of institutions, (b) an economist, (c) expert on animal products risks, (d) Livestock and products marketing expert, supplemented by local experts</p>
<p>10. Non-STDF contributions If appropriate specify any financial contributions expected from sources other than STDF.</p>	<p>TBD – cooperation with other potential donor organizations will be sought</p>
<p>11. Timetable (maximum project duration two years)</p>	<p>TBD, but within 24 months, after project approval</p>

Background

The livestock sector

Livestock production contributes significantly to the national economies of many African countries, and can fulfill an important role in poverty reduction. In Sub-Saharan Africa (SSA) the export of livestock products (mainly meat and live animals) represented about 5% of production in the current sanitary situation, although some niche products obtain greater shares (Southern Africa for example is the fourth largest exporter of wool worldwide). Trade is important to poverty reduction in SSA as livestock production and export is especially important in the poorest countries in the Sahel and in the Horn of Africa. Within SSA the domestic demand for meat is increasing rather slowly, but SSA has a comparative advantage in this area, which should be exploited.

International Trade

Among the constraints in livestock trade were infrastructure and insecurity. Earlier, macroeconomics also played a role, and the devaluation of the CFA demonstrated the negative effects of overvalued exchange rates on domestic agriculture and livestock production. The latter also demonstrates the regional differences in livestock trade issues in SSA. More recently, however, the SSA countries are looking a wider market access and, meeting sanitary standards and animal diseases surveillance and control are becoming important impediments in increased market access.

Although generalized, the current livestock trade appears concentrated in three different “trade zones”:

- For West Africa, it is mostly interregional trade (from Sahel and Guinea zone to the Coast)
- For East Africa, the inter-regional trade (Horn to Gulf) trade (formal and informal) is an important component of the livelihoods;
- Southern Africa: the international trade, primarily with the EU, that is still benefiting from quotas in the EU.

The trade in these zones is impeded by region-specific issues, but animal disease appears paramount among the constraints. Rinderpest and PPR have for decades been a problem throughout the northern parts of SSA. Foot and Mouth Disease (FMD) and Rift Valley Fever have in recent year been major impediments for export of animals from East Africa to the Gulf States, and FMD has limited Southern Africa’s export potential to the outside world, and threatens some of the concessionary arrangements with the European Union.

Removal of livestock trade impediments has received increasing attention in recent years (see Kulibaba, 1997 for the West African livestock trade, Little et al, 2001, OSSREA, 2002 and ILRI 2003 for livestock trade issues affected the Horn of Africa, the Common Market for East and Southern Africa (COMESA) effort to harmonize transport and agricultural sector policies). Understanding of, and compliance with sanitary standards,

more credible veterinary infrastructures and policies, more effective implementation of disease control and quarantine policies, and ability to negotiate and to meet international export certification requirements appear paramount among the many issues in livestock and animal products trade in Africa.

Veterinary Services

As animal diseases are deemed to play an important role among the impediments to international trade in the Africa region the focus of this study is on the provision of proper animal health and zoonoses services through strengthened Veterinary Services and protect domestic stocks of importing countries.

A study conducted by the OIE in 1998 showed that 68% of the Veterinary Services of Member Countries in Africa lack the necessary resources to devote to diagnostic services, casting doubt on the effectiveness of the alert surveillance systems that depend on the speed with which diseases, and in particular transboundary diseases, are reported and confirmed.

The national laboratories have a very important role to play in the system of epidemiological surveillance for animal diseases. However, the results obtained by the laboratories must be reliable, which means that they have to meet very precise standards, formulated by the OIE Biological Standards Commission. The majority of laboratories in African countries clearly do not currently apply these standards, but from now on they must take all the necessary steps to come as close as possible to these requirements.

The Veterinary Services in SSA have long been pre-occupied with epizootic disease control (especially Rinderpest and Contagious Pleuro-Pneumonia, as well as East Coast Fever and FMD in selected regions) and as such paid attention to intrusions of such diseases across borders. However, with the exception of Southern Africa, it is only over the last few years that Veterinary Services are paying increasing attention to international sanitary standards that relate to trade. Over the last decades, structural adjustment and re-organizations, which failed to acknowledge the strong level of externalities involved in animal health control, have seriously affected the efficiency of the Departments. A re-definition of their role, its public support, and how to fulfill their oversight role in developing and applying relevant sanitary standards acceptable to the trade partners, is therefore urgently required.

Rationale

In view of the new challenges of international trade, its potential role in poverty reduction and in view of the global importance of reducing the animal diseases and zoonoses that are threatening global animal and public health, it seems paramount to evaluate the conditions of the current Veterinary Services for the following reasons:

- These are important public goods, including international public goods, in surveillance, early warning and disease control, in particular in those diseases of trans-boundary and/or zoonotic importance, which constitute a major threat to global animal and public health;
- The new obligations and opportunities derived from the WTO-SPS Agreement regarding the development and implementation of international sanitary standards for trade have to be accommodated within existing (limited) budgets for Veterinary Services which may require some rethinking about their organization and structure;
- Official Veterinary Services are weak, and lack the capacity to ensure surveillance and early warning to contain major disease outbreaks and incursions, less been able to establish a credible export certification system, which exudes enough trust to allow trade in livestock from the SSA regions

In particular, they:

- have been affected by the budget cuts, following the process of structural adjustment, and subsequently have continued to be under-funded from governments and international aid, as they have not been able to make convincing cases, in the Poverty Reduction Strategy Process (PRSP) and other policy dialogues;
 - have been grossly under-funded, under-implemented, and under-managed ;
 - are not adequately adapted to the changing policy conditions of the need for a greater public good focus of the services. Lack of operating budget and low salaries induces services and their staff to provide pure private goods, such as clinical services (see Nging, 2004 for example), because of the additional income it generates. As a result, pure public goods, such as disease prevention and food safety, are grossly under-funded and under-managed;
 - often had, at best, an ambiguous attitude to the development of private veterinary or para-veterinary practices; and
 - have been drawn in the political economy surrounding disease reporting, resulting in under-reporting, and half-hearted control attempts.
- Increased international and national support for strengthening public services, as they are today, will depend to a large degree, on the capacity of animal health authorities to provide convincing evidence of policy changes leading to better quality and more cost-effective services; and
 - Opportunities for an increasing livestock production through increased exports within and outside the region are not realized because of the inability of Veterinary Services to control diseases and to comply with sanitary certification requirements imposed by importing countries.

Needs

To start a process of redressing these issues, it is proposed to prepare regional strategies and action plans, which include a realistic assessment of the current systems, the identification of new and innovative systems, and pilot demonstrations technically cost effective and internationally understood and respected. This, in turn, is expected to lead to increased attention by national and international decision makers to strengthening the management of Veterinary Services and promotion of trade-related animal sanitary standards.

This realistic assessment and subsequent recommendations will draw on the new thinking in the area of institutional strengthening and its implications for the reorganization of Veterinary Services, addressing the issues that are raised in the above analysis. This will include:

- a greater focus of the public services on the “pure public goods” of animal products risks and animal disease prevention and control;
- an organizational framework, which prevents the current prevailing conflict of interest in disease reporting;
- a much stronger public-private sector partnership in disease surveillance and control and animal products risks issues;
- a better link to, and collaboration with, public health authorities;
- harmonization (but not necessarily strict copying) and promotion of domestic standards with international standards, taking current and future conditions, skills and budget limitations into account when relevant;
- a greater awareness campaign on the international public goods elements of animal diseases and zoonoses; and
- a reassessment of legislative as well as human resources and skills needs.

Objectives and Activities under the study:

- Assess in two selected regions, through field surveys and desk reviews, the current status of Veterinary Services (private and public, professional and para-professional), regarding their capacity (skills, levels and sources of funding, regulation, enabling environment) to identify and implement trade related sanitary standards, to enable and facilitate export of animals and animal products to current and potential markets, and to protect their own public health and domestic livestock resources;
- Identify, and describe current and future projects that directly or indirectly finance improvement in livestock trade, and/or Veterinary Services, and in particular assess and describe innovative approaches and investments currently under way where the management of trade related disease control and food safety has improved, without substantial increased public sector funding for food safety and animal health

- Identify, through desk studies other negative or positive innovative approaches in the implementation of appropriate animal sanitary standards in comparable countries outside the region (for example India, Brazil, North Africa etc.);

- On the basis of this material, prepare draft strategies for the selected regions for the provision of animal health services with special emphasis on the required inputs to strengthen the public good functions of the Veterinary Services and the development of cost effective sanitary control and delivery systems involving the private sector;
- Develop specific and transparent criteria and targets for monitoring and evaluation of innovative Veterinary Services in general, and in particular of the proposed programs to enhance public and private sector collaboration in the implementation of the required international animal sanitary standards.
- Develop region-specific tool kits that can be used to scale-up the implementation of improving the management of animal sanitary standards. Where possible target, such tool kits and upscaling for use to facilitate possible donor investment;
- Develop training modules for improving implementation of animal health and animal sanitary standards. These training modules include those for field level staff as well as for managerial staff;
- Discuss these documents at high level workshops in the two selected regions; and
- Identify, in 2 countries with potential for one of the types of exports that are mentioned above, pilot investment projects, which will support and demonstrate the increased effectiveness of the public good functions of Veterinary Services and of the public and public/private sector partnerships in facilitating the negotiation, introduction and implementation of trade-related animal health standards.

Outputs

- Two documents (in English and French) with regional strategies for sanitary and animal products risks management, with the focus on export trade, in particular:
 - Key tasks of the public Veterinary Services, in the management of trade-related sanitary standards, its organization, funding, including participation of Veterinary Services experts in standard setting negotiations, and links and obligations to international organizations (OIE, FAO);
 - Partnerships with the private sector for the management of trade related sanitary standards, including the appropriate distribution of responsibilities between the sectors, proposed funding and contractual arrangements, supervision and certification requirements, etc.
- A workshop (in each selected region) to get general buy-in for this document;
- Toolkits for assessing and improving the management of animal sanitary standards;
- Training modules for (a) field staff including from private sector for para-professionals that help to implement official programs and (b) supervisory and managerial staff. The training plan (continuing education, retraining, specialisation) is to be drawn up for the staff of animal health and veterinary public health programs involved in the proper implementation of sanitary standards. The training plan will also take into account the countries' requirements, obligations and needs in order to fully participate in OIE activities,

- notably in respect to the negotiation and the development of international sanitary standards, as well as disease surveillance and reporting.
- A detailed action plan for two countries (one Anglophone, one Francophone country) to pilot some of the innovations proposed in the regional strategies and where possible a tool kit for up scaling the capacity in negotiating and managing sanitary standards, for possible financing through donor assistance. Detail may be provided on improvement in the organization and implementation of support services (border quarantine, diagnostic capabilities, animal depopulation and destruction, animal production food safety activities) at the local, provincial, and national level. Assure that such proposals are implementable under prevailing condition and in terms of acceptance by trading partners, Government and future available budget resources (some of which may be provided by the donor community).

Inputs

- An international team, lead by the OIE, including its Regional Representation to prepare the two regional strategies. The team should consist of :
 - A veterinary epidemiologist with expertise in public institutions to assess work with regional and national public Veterinary Services officers and experts, to identify options in the distribution of responsibilities between the public and private sector, as well as professional and para-professional levels, and the involvement of other stakeholders and to assess different alternatives to animal disease surveillance and monitoring, control and eradication, and the development of disease free zones;
 - an institutional economist to assess economic impact of options being considered.
 - a specialist of animal products risks to assess the institutional capacity of the Veterinary Services and the regions in the establishment and implementation of animal production food safety and standards policies;
 - a livestock marketing expert to assess current and future markets for livestock and livestock products;
- Regional teams, consisting of a well respected animal health and veterinary public health specialist to link with the national Veterinary Services, and a marketing expert.

The international team needs, in addition to the subject matter expertise:

- proven experience in working in developing countries;
- evidence of sensitivity to budgetary constraints in development countries
- Familiar with poverty reduction initiatives and current thinking on public/private partnerships, and innovative ways of improving the management of sanitary standards.

Bids must include the profile (with curriculum vitae) and signed agreement of the experts who will participate in the study:

Organization and management

This study will be carried out under the responsibility of the OIE, in close collaboration with FAO and the other STDF partners. Donor and other stakeholder coordination will be achieved through the integration of this work in ALIVE, a platform for livestock development in Sub-Saharan Africa, sponsored by the World Bank, in close cooperation with New Partnership for African Development (NEPAD).

Logistics

It is anticipated that the study (or studies) will be completed in one year. The approximate time commitment of the various experts is estimated as

- 10 days (2 weeks) for each region in general
- 20 days (2-4 weeks) for pilot country assessments,
- 7.5 days (1-2 weeks) for the preparation and drafting phases (meetings with OIE, literature review, preparation of questionnaires, brief studies of the other countries in each region and the other countries of sub-Saharan Africa not belonging to any of the above regions).
- 5 days (1 week for workshop and final write up).

The time commitment of different experts may vary; the total commitment for international consultant is estimated at 30 SW per region.

An additional 10 SW/region of local expert support may be needed in addition to the expected support by local veterinary departments.

The regional studies can be implemented at different times and the results presented at their completion.

Finance

Budget and timeline to be decided, but expected budget for two studies is about US \$ 300,000.

Estimated budget

Consultants	60 weeks	@ \$ 4,500*	270,000
Local consultants	20 weeks	@ \$ 1,000*	20,000
Office edit/translations	final draft		5,000
Workshop preparation and implementation		@ 5,000	10,000
Total			305,000

* = sum includes full cost including local and international travel, accommodation/per diem and secretarial support

References

1. ILRI - (2003).-Impacts of the ban on Ethiopian livestock export to the Gulf countries: a case study of the Somali region. Report to the World Bank. International; Livestock Research Institute, Nairobi (Kenya).
2. KULIBABA, N. P. (1997).-Good Governance in sheep's clothing: Implementing the action plan for regional facilitation of the livestock trade in West Africa's central corridor. IPC working paper. USAID Implementing Policy Change Project. Abt Assoc., Washington DC
3. LITTLE, P.D., TEKA, T. & AZEZE, A. (2001).- Cross-border livestock trade and food security in the Horn of Africa: an overview. Report BASIC-CRSP and OSSREA. BASIS – University of Kentucky.
4. Nging, M. C. (2004).-Trade, political influence and liberalization: situating the poor in the political economy of livestock in Senegal. Pro-poor Livestock Policy initiative, paper no 8, FAO, Rome.
5. .OSSREA (2002).- Cross border trade and food security research in the Horn of Africa. Various reports. See [Http:// www.ossrea.net/projects/crossborder.htm](http://www.ossrea.net/projects/crossborder.htm)