

STDF POLICY COMMITTEE SUMMARY REPORT

THURSDAY 14 OCTOBER 2021 VIRTUAL MEETING

1 WELCOME REMARKS

1. Jean-Marie Paugam, Deputy Director General of the WTO, opened the meeting and welcomed participants. He highlighted the resilience of the STDF partnership during the COVID-19 pandemic, the excellent results achieved since the adoption of the 2020-2024 Strategy, and the importance of expanding STDF's outreach and impact.

2 ADOPTION OF THE AGENDA

2. The meeting was chaired by Jean-Marie Paugam. Members adopted the agenda with an additional item being added to other business by Lucy Namu (Developing Country Expert) on a possible transition mechanism for countries that have graduated from LDC status. A list of all participants (including observers) is provided in **Annex 1**.

3 OPENING STATEMENTS BY POLICY COMMITTEE MEMBERS

- 3. Maria Helena Semedo (FAO) acknowledged the crucial role of the STDF in harmonizing trade and food safety standards, and FAO's commitment to work with the STDF and other founding members to address challenges faced by food systems. She noted that FAO has been transforming its capacity building through virtual learning modalities and virtual learning centres, which the STDF may also use to increase its reach and depth.
- 4. Francesco Branca (WHO) emphasized the good collaboration with the STDF and commended the STDF Secretariat's work in keeping all the projects moving forward despite the challenges that COVID-19 has posed. He highlighted that trade is a strategic priority in WHO's new Global Food Safety Strategy and saw opportunities to further deepen the collaboration with the STDF in adopting Codex standards and strengthening national food control systems.
- 5. Montserrat Arroyo (OIE) expressed appreciation for the comprehensive and inclusive process used to develop STDF's 2020-2024 Strategy. She highlighted OIE's critical role in setting international standards to support safe trade in animals and animal products and in building capacity of veterinary services to improve the prevention and control of animal diseases worldwide. She explained how OIE's 7th Strategic Plan (2021-2025) responds to Member's needs by focusing on scientific expertise, data governance, collaboration with partners, and improving efficiency, and agility.
- 6. Marieme Fall (WTO) thanked the other founding partners, donors, developing country experts and beneficiaries for their continued active engagement and expressed satisfaction that the STDF Secretariat, in the words of the 2019 external evaluation, "provides excellent value for money". The STDF enables small-scale farmers to meet international health and safety standards for their products, opening the door to new markets, higher incomes, more jobs and economic opportunities, particularly for women.
- 7. Bill Gain (WBG) considered the importance of reviewing and discussing project and project preparation grants (PPGs), noting that the World Bank will continue to work closely with the STDF Secretariat and other founding partners to advance partnership opportunities. He praised the STDF for its convening role during the COVID-19 crisis and its work on SPS electronic certification (eCert). Looking forward, he recommended that the impact of climate change on SPS risks and capacity should be further addressed as part of STDF's good practice work.

- 8. Romain Chambre (France) emphasized the importance of providing technical assistance to developing countries and highlighted the critical role of the STDF in this regard. He announced that France has decided to double its annual contribution to the STDF, expanding support for its work.
- 9. Dirk Klaasen (The Netherlands) reiterated the importance of providing technical assistance to developing countries and the ongoing relevance of the STDF. He underscored that the STDF is unique in its double function as both a coordination and knowledge platform, promoting the development and implementation of collaborative and innovative SPS initiatives.
- 10. Marie-Luise Rau (Germany) reminded participants that the COVID-19 pandemic shows how fast pests and diseases can spread across the world, and how much supply chains are interconnected. She highlighted the critical role of the STDF partnership in this context and confirmed Germany's new contribution until 2025.
- 11. Sithar Dorjee (Developing Country Expert) appealed, on behalf of developing countries, for more commitments from donors to the STDF. He also suggested that the STDF should consider expanding its scope to include TBT issues and take a more holistic approach to market access for developing countries. He concluded by drawing attention to: (i) more investment in digitalization to promote SPS capacity building in developing countries; and (ii) opportunities to share experiences in detecting pests and diseases, and train inspectors in new technologies.
- 12. Juliet Goldsmith (Developing Country Expert) expressed her gratitude to the STDF for the continuous support and assistance to developing countries and LDCs. She also pointed out that small island developing countries are extremely vulnerable to exogenous shocks, many of which have been ravaged by the effects of climate change and rely on mechanisms such as the STDF to help build climate resilience.
- 13. Lucy Namu (Developing Country Expert) proposed that more developing countries could gain support to implement the ePhyto system and advocated for an equivalent "eFood" system. She concurred with Sithar Dorjee that the STDF could expand its scope to include more issues such as TBT standards, environmental standards, fair trade and animal welfare.

4 STDF STRATEGY (2020-2024) - INCLUDING IMPACT OF THE COVID-19 PANDEMIC ON STDF'S OPERATIONS

- 14. The Secretariat provided a brief overview of the STDF Strategy (2020-2024), covering the STDF theory of change, its contribution to the SDGs, and STDF's three workstreams (global coordination platform, knowledge work, and funding mechanism). It highlighted STDF's strong support for LDCs and Africa in particular. Attention was drawn to STDF's new Monitoring, Evaluation and Learning (MEL) Framework, which aims to: (i) ensure accountability and provide evidence on results and outcomes achieved under the Strategy; and (ii) increase learning about innovative and collaborative approaches to SPS capacity development. The MEL Framework supports risk management, enabling specific reporting on the impact of the COVID-19 pandemic. The Secretariat also referred to a new Communications Plan to extend STDF's reach and impact.
- 15. STDF partners thanked the Secretariat for the presentation. The WTO noted that the creation of various Practitioner Groups in 2020 showcases the agility and adaptability of the STDF partnership. The FAO suggested that STDF thematic areas could guide countries in submitting projects but should not dictate STDF's work in capacity development. In addition, care should be taken to ensure that Practitioner Groups have a clear mandate and timeframe to deliver tasks. The WHO emphasized the importance of creating further synergies between different tools and adopting a coordinated approach. The WBG underscored the importance of bringing together the partners and other stakeholders in the broader development space through the Practitioner Groups, including in the field of digitalization.
- 16. In response to questions raised, the Secretariat noted that the proposed STDF Work Plan for 2022 includes an internal assessment on the STDF Practitioner Groups to explore how they can be further improved. The Secretariat also considered there is no need to update the STDF Strategy at this stage, given its proven robustness in addressing various challenges during the pandemic. It added that the procurement process for a MEL companion tool (i.e., cloud-based software) to assist in implementing the MEL Framework was recently completed. The set-up and pilot phase would run from November 2021 to March 2022.

5 FINANCIAL SITUATION OF THE STDF TRUST FUND

- 17. The Secretariat provided a brief overview of the financial situation of the STDF Trust Fund. Donor support to the STDF from 2004 to 2020 amounted to US\$76.6 million, with Sweden, the Netherlands, Denmark, Canada and the European Commission being the largest contributors. Due to the impact of the COVID-19 pandemic, expenditures dropped in 2020 but are now picking up again as projects resume activities. It was indicated that there was still a 45% funding gap of US\$15.8 million in order to fully deliver on STDF's 2020-2024 Strategy.
- 18. In response to questions raised, the Secretariat clarified that the STDF Trust Fund is managed by the WTO and must comply with WTO's financial rules and regulations. Although it cannot accept financial contributions from individual private sector companies, contributions from not-for-profit private sector associations or foundations could be further explored. It concurred with members that the global food systems transformation discussion can be an important additional driver for STDF funding and highlighted that the STDF organized two events feeding into the 2021 UN Food Systems Summit. The Secretariat noted that any support from the partnership in securing additional contributions would be most welcome.
- 19. Members welcomed the idea of a possible donor roundtable, proposing that perhaps one of the partner organizations could take the lead. The Netherlands suggested that it would be better to have in-person meetings instead of Zoom calls and to invite experts to join the discussions. The WBG offered support to share experiences and help the STDF in developing a sustainable fundraising strategy. The FAO noted that the STDF Communications Plan plays an important role and can help in linking the STDF to new donors.
- 20. Sithar Dorjee (Developing Country Expert) concluded this item by calling upon existing donors to increase their contributions to the STDF to narrow the funding gap, also in light of the ongoing pandemic.

6 EXTERNAL STDF EVALUATION (2019) - IMPLEMENTATION OF RECOMMENDATIONS

21. The Secretariat recalled that the Policy Committee discussed the external evaluation of the STDF and accepted 16 out of 20 recommendations at its last meeting in June 2019. It explained that the STDF Working Group is monitoring the implementation of these 16 recommendations, based on an Action Plan. At present, six recommendations have been fully implemented, with most other recommendations in the process of being implemented. The Secretariat alerted members to recommendation 1 (iii), below, which the Working Group had decided to return to the Policy Committee for a decision.

Recommendation 1 (iii): In addition to calls for proposals, partners and the Secretariat should be able to develop PGs and PPGs as a test bed for innovative ideas (although as with implementation, those organisations proposing PPGs and PGs should not be included in the approval process)

22. The WTO viewed that the STDF Secretariat should continue to focus on its "helpdesk" role and that the possibility for STDF partners to apply for projects and PPGs should be maintained, in accordance with the STDF Operational Rules. The WBG was generally supportive of encouraging innovation and suggested more in-depth discussion in the STDF Working Group. The FAO commented that a conflict of interest could arise if the STDF Secretariat develops projects and reiterated that the Secretariat should remain as a "helpdesk". The OIE agreed with FAO's position. France, the Netherlands and Germany highlighted the principle that the ownership of projects and PPGs should remain with the beneficiary countries. The Policy Committee generally agreed to reject recommendation 1 (iii), while noting that partners should continue to be eligible to apply for STDF projects, under certain conditions, as stipulated in the STDF Operational Rules.

7 UPDATE OF STDF OPERATIONAL RULES

23. The STDF Operational Rules were last revised in May 2016 (rev.4). Members agreed to the editorial changes proposed by the Secretariat and adopted the new version of the Operational Rules (rev.5). 1

¹ See: https://www.standardsfacility.org/sites/default/files/STDF 139rev.5 EN.pdf

8 OTHER BUSINESS

- 24. Lucy Namu (Developing Country Expert) proposed agreeing on a transition mechanism for countries that have graduated from LDC status. Under the proposal, these countries will have a five-year transition period during which they will continue to benefit from the 10% contribution rule in the STDF. She referred to the difficult position of developing countries, and LDCs in particular, due to the impact of the COVID-19 pandemic. She also referred to the Enhanced Integrated Framework (EIF) where countries that have graduated continue to be eligible for EIF support for a period of five years.
- 25. Members generally agreed to help countries that have graduated from LDC status but requested more time to consult internally and noted that further discussions in the Working Group on this topic would be helpful. The chairperson suggested that the Secretariat prepare a short paper illustrating the details of the proposed mechanism for discussion in the Working Group and consult the EIF to share experiences. The Policy Committee could take a decision on this matter in the future by a silence procedure or include this topic on the agenda of its next meeting.
- 26. The chairperson thanked all members and observers for their active participation. The meeting was adjourned at 17.00.

ANNEX 1 LIST OF PARTICIPANTS

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