

11 October 2013

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## **Committee on Sanitary and Phytosanitary Measures**

### UPDATE ON THE OPERATION OF THE STANDARDS AND TRADE DEVELOPMENT FACILITY

#### NOTE BY THE SECRETARIAT1

### 1 OVERVIEW

- 1.1. The Standards and Trade Development Facility (STDF) supports developing countries in building their capacity to implement international SPS standards, guidelines and recommendations as a means to improve their human, animal and plant health status and ability to gain and maintain access to markets. In doing so, it contributes to sustainable economic growth, poverty reduction, food security and environmental protection in developing countries. More specifically, the STDF increases awareness, mobilizes additional resources, strengthens collaboration and identifies and disseminates good practice to enhance the effectiveness of SPS assistance. The STDF also provides support and funding for the development and implementation of projects that promote compliance with international SPS requirements.
- 1.2. The STDF is a global partnership established by the Food and Agriculture Organization of the United Nations (FAO), the World Organisation for Animal Health (OIE), the World Bank, the World Health Organization (WHO) and the World Trade Organization (WTO). Other organizations involved in SPS-related technical cooperation, donors contributing funds to the STDF and developing country experts participate actively in the Facility's work. The STDF is managed and housed by the WTO.2
- 1.3. This document provides an overview of STDF activities in support of its work programme since the previous SPS Committee meeting in July 2013, as well as information on planned activities. The Annex provides an overview of on-going STDF projects and project preparation grants (PPGs).
- 1.4. Delegates who would like to receive more information on SPS-related technical cooperation encouraged to subscribe to the STDF electronic mailing (http://www.standardsfacility.org/en/ContactUs.htm). The STDF regularly issues an e-newsletter which contains an overview of major developments in the area of SPS capacity building, including activities of the STDF and its partners.

## 2 COORDINATION AND INFORMATION DISSEMINATION

# 2.1 Multi Criteria Decision Analysis (MCDA)

2.1. The STDF has supported the development of a decision-support tool, based on Multi Criteria Decision Analysis (MCDA), to help developing countries prioritize options to strengthen SPS capacity for market access.3 On 24-25 June 2013, the STDF organized a workshop on the use of this tool. The workshop was attended by 44 participants, representing STDF partners, donors, developing country experts, observer organizations, and notably beneficiaries who have applied the tool.

<sup>&</sup>lt;sup>1</sup> This document has been prepared under the Secretariat's own responsibility and is without prejudice

to the positions of Members or to their rights or obligations under the WTO.

<sup>2</sup> More detailed information on the STDF and its activities, including projects and project preparation grants, is available on the STDF website (<a href="http://www.standardsfacility.org">http://www.standardsfacility.org</a>).

3 Available at: <a href="http://www.standardsfacility.org/Files/EconAnalysis/MCDA\_FrameworkGuide.pdf">http://www.standardsfacility.org/Files/EconAnalysis/MCDA\_FrameworkGuide.pdf</a>.

2.2. The objective of the MCDA workshop was to take stock of experiences and lessons learned and identify recommendations for future work. Some of the recommendations from the workshop were: (i) clarify the scope of the tool; (ii) revise the MCDA user guide to make it more user-friendly, including through the incorporation of country case studies and examples; (iii) select and train a group of neutral facilitators in developing countries/regions on the MCDA tool; (v) promote greater use of the MCDA tool as part of national/regional planning and priority-setting processes within the Comprehensive Africa Agriculture Development Programme (CAADP); and (vi) monitor and evaluate the on-going use of the tool to learn from and disseminate the experiences and lessons. A summary of this workshop, including recommended follow-up actions, is available online. More information on the MCDA tool, including previous STDF events and publications, can be found on the STDF website (<a href="http://www.standardsfacility.org/en/TAEcoAnalysis.htm">http://www.standardsfacility.org/en/TAEcoAnalysis.htm</a>).

## 2.2 International Trade and Invasive Alien Species

- 2.3. On the margins of the June 2013 SPS Committee meeting, the STDF, in conjunction with the IPPC and OIE, presented the finalized STDF study on International Trade and Invasive Alien Species.<sup>5</sup> A first draft of the study had been prepared for the 2012 STDF Global Seminar on this topic and was later revised based on the discussions and conclusions of the seminar. The study reviews and analyses key concepts and principles relevant to IAS and international trade in the context of the SPS Agreement and the Convention on Biological Diversity (CBD), and in relation to the two relevant standard-setting organizations (the IPPC and the OIE) under the SPS Agreement. It also considers various initiatives to enhance capacities for managing the entry and spread of IAS (including plant pests and animal diseases), reviews common challenges and good practices, and makes a number of targeted recommendations.
- 2.4. Among the various recommendations in the study, one in particular is directed towards the SPS Committee:

"The SPS Committee should consider developing guidance regarding the relationship between IAS and the SPS Agreement, for the purpose of providing legal clarity and firmly embedding IAS into the global trade regulatory framework. Such guidance should seek to clarify, inter alia, notification requirements for SPS measures taken by national environment/ biodiversity institutions to prevent the introduction of IAS other than animal and plant pests or diseases."

2.5. Other information on the seminar, including the presentations, a short two-page STDF briefing note and other relevant documentation, is available on our website (http://www.standardsfacility.org/en/TAIAS.htm).

#### 2.3 Fourth Global Review of Aid for Trade

- 2.6. The Fourth Global Review of Aid for Trade was held at the WTO from 8-10 July 2013. The aim of the review was to examine strategies to connect developing country and least-developed country (LDC) firms to international value chains. At the Global Review, the STDF, in collaboration with Canada and the Netherlands, held a side-event entitled "Public Private Partnerships in a Value Chain Context". The objective of this side-event was to present the work done by the North-South Institute (NSI) and the STDF on Trade and SPS-related Public-Private Partnerships (PPPs) and to foster dialogue among public and private sector experts on key lessons learned in this area. A panel discussion took place where a range of different stakeholders presented specific examples of PPPs aiming to help developing countries connect to value chains.
- 2.7. The key messages of the discussion were: (i) the importance to build trust between the partners in order to ensure that high levels of food safety, animal health and/or plant health requirements don't become hidden trade barriers; (ii) the importance of ensuring permanent dialogue among partners and of measuring and communicating the results and achievements regularly; (iii) the role of national governments should be to provide the necessary governance, market policy, and local support but governments should not venture into or assume the role of the private sector to engage in trade; and (iv) partnerships can be very successful in solving

<sup>&</sup>lt;sup>4</sup> http://www.standardsfacility.org/Files/EconAnalysis/GVAJun13/ReportMCDAWorkshop.pdf.

<sup>&</sup>lt;sup>5</sup> http://www.standardsfacility.org/Files/IAS/STDF\_IAS\_EN.pdf.

specific market access challenges, strengthen cooperation and market understanding between all relevant stakeholders in the value chain. More information on this side-event can be found on the STDF website (<a href="http://www.standardsfacility.org/en/TAAidForTrade4GR.htm">http://www.standardsfacility.org/en/TAAidForTrade4GR.htm</a>).

#### 2.4 SPS and Trade Facilitation

2.8. The STDF has initiated research work to analyse the implementation of SPS measures in the context of trade facilitation (defined as the simplification, harmonisation, standardisation and modernisation of trade procedures). This work encompasses regional research in selected countries and sub-regions in Africa, Asia and Latin America. The aim is to identify, analyse and foster dialogue on experiences, lessons and good practices to improve the implementation of SPS controls in a way that facilitates safe trade. The work is being carried out in collaboration with the Inter-American Development Bank (IDB)<sup>6</sup>, TradeMark Southern Africa, and the Common Market for East and Southern Africa (COMESA) Secretariat. Reports for all three regions are expected to be finalized by mid-2014.

## 2.5 Revamp of the STDF Website

- 2.9. The STDF Secretariat has begun work on revamping the STDF website by converting it into a content management system. This new system will allow the Secretariat to more easily publish, edit and modify content. The new website will also incorporate new technology to allow for more functionality as well as to improve overall user experience. It is expected to be launched in the first quarter of 2014.
- 2.10. A new version of the STDF Virtual Library will also be integrated into the website which will allow for better document management and search options. The STDF Virtual Library accessible from the STDF homepage is a central repository of electronic SPS capacity building documentation. Delegates are encouraged to use the STDF Virtual Library and to send documents to the STDF Secretariat (STDFSecretariat@wto.org) in order to be placed in the library (e.g. project documents and final reports, training materials, project evaluations, SPS capacity assessments, cost-benefit analysis studies, research papers and articles, etc.).

## **3 PROJECT DEVELOPMENT**

- 3.1. The STDF provides advice and support to beneficiaries on issues related to SPS project development and finances project preparation grants (PPGs) to assist beneficiaries in the articulation of their SPS needs and the development of technically sound and sustainable project proposals. Seed funding up to US\$50,000 is available for PPGs, which can be used for any of the following purposes (or a combination thereof): (i) application of SPS-related capacity evaluation and prioritization tools; (ii) preparation of feasibility studies that precede project development to assess the potential impact and economic viability of proposals (expected costs and benefits); and/or (iii) preparation of project proposals that can be funded by the STDF or other donors.
- 3.2. A total of 57 PPGs have been approved and funded by the STDF since its inception. The STDF Working Group may approve additional PPGs for funding at its next meeting on 15-16 October 2013.

<sup>&</sup>lt;sup>6</sup> The IDB component of this work was initiated in 2012 with a questionnaire survey on border control points linked to Latin American trade in agricultural and forestry products. This survey built on a successful IDB/WTO regional SPS seminar, which took place in Chile from 25-30 June 2012, focused on strengthening quarantine services for animal and plant health.

#### 4 PROJECT FUNDING

- 4.1. Project grant financing up to a maximum of US\$1,000,000 is available from the STDF. Favourable consideration is given to projects that focus on one or more of the following: (i) the identification, development and dissemination of good practice in SPS-related technical cooperation, including the development and application of innovative and replicable approaches; (ii) STDF work on cross-cutting topics of common interest; (iii) the use of regional approaches to address SPS constraints; and/or (iv) collaborative and interdisciplinary approaches focused on the interface/linkages between human, animal and plant health and trade, and benefiting from the involvement of two or more STDF partners or other relevant organizations.
- 4.2. A total of 66 projects have been approved for STDF funding since its inception. The STDF Working Group may approve additional projects for funding at its next meeting on 15-16 October 2013.
- 4.3. The Annex provides an overview of on-going STDF projects and PPGs. Since its inception, the STDF has devoted 40% of its project and PPG resources to Least-developed countries (LDCs) and Other Low Income Countries (OLICs), as shown in Figure 1 below. Hence, the STDF continues to meet its target to devote at least 40% of its project and PPG resources to LDCs and OLICs. The allocation of PPG resources to LDCs and OLICs remains high (i.e. 66% of the overall budget for PPGs).

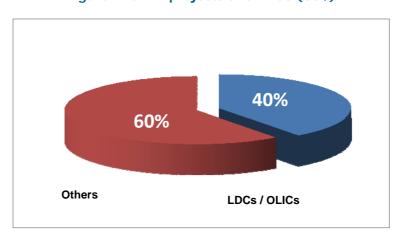


Figure 1: STDF projects and PPGs (US\$)

4.4. Figure 2 below indicates that 52% of the number of STDF projects and PPGs has gone to Sub-Saharan Africa, 17% to Asia, and 17% to Latin America and the Caribbean. In addition, 11% of STDF projects and PPGs can be classified as global.

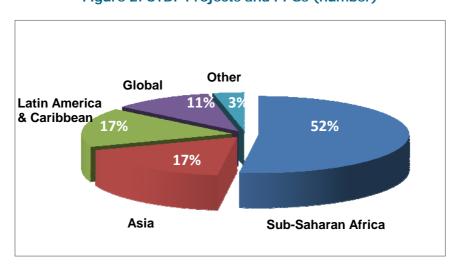


Figure 2: STDF Projects and PPGs (number)

4.5. Applications for STDF funding can be made at any point in the year but should be received at least 60 working days in advance of each Working Group meeting in order to be considered at that meeting. The next deadline for the submission of applications is **3 January 2014**.

Recommended steps to follow when seeking PG or PPG funding opportunities with the STDF:

- 1. Browse our PPG <a href="http://www.standardsfacility.org/en/PGPpgStat.htm">http://www.standardsfacility.org/en/PGProStat.htm</a> webpages for examples of previous projects.
- 2. Carefully read our guidance note for applicants: <a href="http://www.standardsfacility.org/Files/Forms/STDFGuidanceNote\_en.pdf">http://www.standardsfacility.org/Files/Forms/STDFGuidanceNote\_en.pdf</a>.
- 3. Consult relevant stakeholders in the country/region.
- 4. Send us a brief concept note of your potential project for feedback on eligibility and likelihood of funding (<u>STDFSecretariat@wto.org</u>).
- 5. Fill out an application form (<a href="http://www.standardsfacility.org/en/FDAppForms.htm">http://www.standardsfacility.org/en/FDAppForms.htm</a>) and submit it electronically before the deadline.

# ANNEX

# IMPLEMENTATION STATUS OF ONGOING STDF PROJECTS AND PROJECT PREPARATION GRANTS<sup>1</sup>

## **STATUS OF APPROVED PROJECTS**

Ref. No.	Title	Objective	Beneficiary	Implementing entity/ person	Approval date	Start Date	End Date	Budget (US\$)
STDF/PG/172	Expanding exports of sesame seeds and sheanut/butter through improved SPS capacity building for private and public sector	Identify critical control points and factors along the Nigerian shea nut production chain and develop predictive models for aflatoxin production and fungal growth, pesticide residues and other contaminants	Nigeria	Nigeria Export Promotion Council (NEPC)	10-Dec-09	01-Oct-10	30-Sep-13	\$364,240
STDF/PG/242	Strategy to strengthen the SPS system in Comoros	Build SPS capacity in the country in a comprehensive and systematic manner in order to increase its market access for potential agricultural products and fisheries	Comoros	UNDP	30-Mar-12	17-Sep-12	16-Sep-15	\$1,033,673
STDF/PG/298	SPS capacity building in Africa to mitigate the harmful effects of pesticide residues in cocoa and to maintain market access	Build SPS capacity in Africa to produce good quality cocoa that complies with the relevant international regulations and legislation on pesticide residues and other harmful substances	Cameroon, Côte d'Ivoire, Ghana, Nigeria, Togo	International Cocoa Organization (ICCO)	02-Jul-10	01-Jan-11	31-Dec-13	\$593,460
STDF/PG/300	Develop a combined e-learning curriculum and web-based information system for food standards	Develop a combined e-learning curriculum and information system on food standards as a contribution to up-grading the quality infrastructure in developing countries	Ghana	University of Cape Coast (UCC)	10-Dec-09	01-Dec-10	30-Nov-13	\$262,246

<sup>&</sup>lt;sup>1</sup> Projects and project preparation grants that have a start and end date to be determined (TBD) have not yet been contracted.

Ref. No.	Title	Objective	Beneficiary	Implementing entity/ person	Approval date	Start Date	End Date	Budget (US\$)
STDF/PG/302	Support to the cabbage sector in the Niayes Region of Senegal	Increase the production of cabbage and hence exports from the sub-region by controlling the spread and impact of two specific pests and assisting producers in meeting the Maximum Residue Limit established by Codex	Senegal	Senegal's Horticulture Union of the Niayes region (AUMN)	19-Mar-10	01-Feb-12	31-Jan-14	\$577,142
STDF/PG/303	Regional Total Diet Study for Sub-Saharan Africa	Contribute to strengthen capacity of risk managers to implement international standards based on a good knowledge of hazards, risks and exposure levels to harmful substances in commonly produced and consumed food	Benin, Cameroon, Mali and Nigeria	FAO in collaboration with WHO	19-Mar-13	TBD	TBD	\$1,063,708
STDF/PG/321	Building trade capacity of small-scale shrimp and prawn farmers in Bangladesh	Organize small-scale farmers in manageable clusters and assist them in developing and adopting Better Management Practices (BMPs) to address the contamination problem at grass- roots level	Bangladesh	FAO	27-Jun-11	01-Apr-12	21-Mar-14	\$568,750
STDF/PG/328	Beyond Compliance: Integrated Systems Approach for Pest Risk Management in Southeast Asia	Develop and test new decision- support tools focused on an integrated Systems Approach for pest risk management in the Southeast Asian sub-region (support implementation of ISPM No. 14)	Southeast Asia	CABI Southeast Asia	28-Mar-11	11-Jul-11	10-Jul-14	\$600,000
STDF/PG/329	Enhancing Sanitary and Phytosanitary capacity of Nepalese ginger exports through Public Private Partnerships	Increase incomes of Nepalese stakeholders in the ginger value chain by adding value to the product exported to India and increasing capacity to access new markets	Nepal	FAO	27-Jun-11	07-Jun-12	06-Jun-15	\$412,629

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Ref. No.	Title	Objective	Beneficiary	Implementing entity/ person	Approval date	Start Date	End Date	Budget (US\$)
STDF/PG/335	Strengthening the Capacity for Phytosanitary Controls of Floriculture Sector in Uganda	Enhance pest surveillance and diagnostic capacity to enable a better understanding of pest distribution and facilitate the implementation of efficient control strategies	Uganda	CABI Africa	30-Mar-12	01-Oct-12	30-Sep-14	\$348,632
STDF/PG/336	Enhancing the control of transboundary animal diseases in Cameroon	Build institutional capacity and strengthen the capacity of the decentralized veterinary services - mainly those involved in the surveillance system	Cameroon	FAO	27-Jun-11	01-Jun-12	31-May-14	\$510,788
STDF/PG/337	ASEAN Pesticide Residue Data Generation Project	Establish a regional process to generate reliable data for MRLs for selected "minor-use" crops, as a means to promote harmonization with international standards and enhance market access	ASEAN member states	ASEAN Secretariat	21-Oct-11	01-Dec-12	30-Nov-15	\$607,000
STDF/PG/343	Competency development scheme for the cinnamon sector in Sri Lanka	Enhance the competiveness of the cinnamon industry and the capacity of the cinnamon value added segment by improving processing and handling practices	Sri Lanka	UNIDO	21-Oct-11	01-Jul-12	30-Jun-14	\$630,000
STDF/PG/344	Establishment of a Regional Virtual Food Inspection School in Central America and Dominican Republic	Harmonize modern inspection procedures conducted by a properly trained cadre of food inspectors and food safety auditors in the region to contribute to facilitating trade and improving public health	Central America	IICA	30-Mar-12	01-Jul-12	30-Jun-15	\$905,225
STDF/PG/345	Feed and Food Security Program for Latin America and the Caribbean	Contribute to the harmonization of the regulatory framework for the production and commercialization of animal feed, ensuring its safety and access to markets, based on the standards and recommendations of Codex and OIE	Argentina, Brazil, Chile, Colombia, Costa Rica, Cuba, Mexico, Paraguay, Peru and Uruguay	FEEDLATINA	19-Mar-13	TBD	TBD	\$1,000,000

Ref. No.	Title	Objective	Beneficiary	Implementing entity/ person	Approval date	Start Date	End Date	Budget (US\$)
STDF/PG/350	Global Phytosanitary Manuals, Standard Operating Procedures and Training Kits	Address the need in developing countries for documented technical resources to enhance their capacity to understand and implement International Standards on Phytosanitary Measures (ISPMs)	Côte d'Ivoire, Jamaica, Malaysia and Sudan	IPPC Secretariat	28-Mar-11	01-Feb-12	31-Jan-14	\$600,000
STDF/PG/354	Improving Safety and Quality of Sri Lankan Fruits and Vegetables	Analyse SPS constraints along the value chains, enhance public and private sector stakeholders capacity to meet international SPS requirements and improve public-private cooperation and networking	Sri Lanka	International Trade Centre	30-Mar-12	01-Mar-13	28-Feb-15	\$562,484
STDF/PG/358	Improving veterinary legislation in OIRSA member countries	Strengthen the veterinary services in the region by harmonizing the legal framework in accordance with OIE standards for the control and eradication of animal diseases	Central America	OIRSA	30-Mar-12	01-May-13	30-Apr-15	\$488,330
STDF/PG/359	African Pesticide Residue Data Generation Project: Strengthening regional capacity to meet pesticides export requirements based on international standards	Enhance regional capacity in pesticide residues data generation and monitoring for establishing, implementing, and complying with international pesticide residue standards	Benin, Cameroon, Ghana, Kenya, Mali, Senegal, Tanzania, Uganda and Zambia	AU-IBAR	11-Oct-12	01-May-13	30-Apr-16	\$446,150
STDF/PG/381	CocoaSafe: SPS capacity building and knowledge sharing for the cocoa sector in South East Asia	Maintain and increase market access of cocoa exports by improving practices along the supply chain to meet international standards of food safety	Indonesia, Malaysia and Papua New Guinea	International Cocoa Organization (ICCO)	11-Oct-12	01-Nov-13	31-Oct-15	\$593,204
STDF/PG/401	Training of Phytosanitary Capacity Evaluation (PCE) Facilitators	Improve the capability of developing countries to use the PCE tool to evaluate their capacities, identify gaps and plan their national phytosanitary and development programmes	Developing countries	IPPC Capacity Development Committee (CDC)	11-Oct-12	TBD	TBD	\$625,148

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Ref. No.	Title	Objective	Beneficiary	Implementing entity/ person	Approval date	Start Date	End Date	Budget (US\$)
STDF/PG/436	Strengthening regional capacity in Latin America to meet pesticides export requirements based on international standards	Strengthen the capacity of Latin American countries in pesticide residues data generation and monitoring, to support the establishment, implementation and compliance with international standards	Bolivia, Plurinational State of; Colombia; Costa Rica; Dominican Republic; Ecuador; El Salvador; Guatemala,; Honduras; Nicaragua; Panama and Peru	IICA	19-Mar-13	01-Oct-13	30-Sep-16	\$346,450

# G/SPS/GEN/1279

# STATUS OF APPROVED PROJECT PREPARATION GRANTS (PPGS)

Ref. No.	Title	Objective	Beneficiary	Implementing entity/ person	Approval date	Start Date	End Date	Budget (US\$)
STDF/PPG/346- 347-348	Feasibility study on the concept of the COMESA Green Pass	Conduct a feasibility study to clarify the concept of the Green Pass and address legal and technical issues as well as its economic and commercial viability	COMESA members	COMESA	27-Jun-11	01-Jan-12	Upon approval	\$90,000
STDF/PPG/392	Integrating SPS in Sierra Leone: A whole chain approach to developing the National Food Safety Management System	Assess the national food safety management system and develop plans for institutional capacity building and determine priorities in order to achieve compliance with SPS requirements	Sierra Leone	FAO	19-Mar-13	01-Nov-13	15-Apr-14	\$39,000
STDF/PPG/377	Comprehensive Assessment and Development of a Project Proposal to Strengthen the National Plant Protection System in the Gambia	Conduct a comprehensive assessment of the phytosanitary capacity gaps using the IPPC-PCE Tool and develop a project to implement action points to enhance the national plant protection system	Gambia	IPPC	30-Mar-12	01-Feb-13	31-Jul-13	\$50,000
STDF/PPG/379	Promoting the effective participation of SADC Member States in the WTO SPS Committee	Strengthen the capacity of SPS authorities in SADC Member States to be able to effectively implement their SPS obligations and assert their rights as WTO Members	SADC Member States	Kevin Walker	22-Mar-13	15-Jul-13	30-Sep-13	\$25,000
STDF/PPG/404	Developing Virus Indexing Capacity for Planting Materials in Malawi	Undertake a feasibility study to assess the viability of building capacity for indexing and production of virus-free planting materials for bananas	Malawi	Department of Agricultural Research Services (DARS) - Malawi	19-Mar-13	TBD	TBD	\$31,096
STDF/PPG/432	Information systems for surveillance and pest reporting in Asia/Pacific countries	Enable countries to implement international phytosanitary standards and to fulfil their SPS obligations mainly related to transparency and risk assessment	Asia Pacific countries	Australia's Department of Agriculture Fisheries and Forestry (DAFF)	19-Mar-13	TBD	TBD	\$49,990