

Aid-for-Trade Case Story

Title: Promoting Agri-Food Exports that Meet International Sanitary and Phytosanitary (SPS) Requirements: The Role of Multi-Stakeholder Partnerships

Region: Global

Type: Approach / process

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Executive Summary

1. Activities to ensure compliance with sanitary and phytosanitary (SPS) compliance depend, in large part, on the effective engagement and collaboration of a variety of stakeholders from the public and private sectors, as well as other non-governmental organizations (e.g. academic and research institutes). In recognition of this shared responsibility, the Standards and Trade Development Facility (STDF) initiated work in 2010 to examine the role, experiences and lessons of multi-stakeholder partnerships (MSPs) in support of SPS capacity building. This work encompassed: (i) the organization of a workshop on public-partnerships in support of SPS capacity, in collaboration with the Dutch Ministry of Agriculture, Nature and Food Quality (LNV) and the World Bank Institute (WBI), on 4-6 October 2009; and (ii) desk research and the preparation of a Briefing Note and desk study on this topic.¹

2. This case story summarizes some of the main findings and conclusions of the STDF work. The partnerships considered involved different types of stakeholders, had different objectives and worked in different ways. Some were focused on the establishment of mechanisms to improve SPS dialogue and coordination, while others concentrated on the provision of training, inspection or infrastructure to facilitate agri-food exports and/or improve food safety and quality for the domestic or export market. Although, in most cases, detailed evaluations of these partnerships do not exist, the stakeholders involved generally point to the benefits of a partnership approach. Potential therefore exists to further analyse and learn from the experiences of MSPs in the SPS area in order to develop additional guidance and tools to inform and support the emergence of such partnerships arrangements within SPS technical cooperation, as well as in the Aid for Trade Initiative more broadly.

Issues Addressed

3. This case story focuses on the role of multi-stakeholder partnerships (MSPs) in improving the capacity of farmers, processors, exporters and/or government agencies to meet food safety, animal and plant health – or SPS – requirements. Other topics addressed in this case story include the private sector, agricultural value chain development, governance and technical cooperation.

Objectives Pursued

4. Partnerships engage various types of stakeholders – such as government agencies, the private sector, agri-food industry, associations of farmers, producers and/or exporters, NGOs, donors, etc. – in collective action based on shared objectives. A number of MSPs to address specific SPS capacity constraints and/or to take advantage of market opportunities have emerged in recent years, sometimes as part of larger initiatives focused on agricultural value chain development or trade facilitation.

¹ For more information, see: www.standardsfacility.org/TAPPP.htm

While the specific objectives of these partnerships have varied depending on the particular context, problem(s) faced and actors involved, in general the objectives have been to improve SPS compliance and thereby enhance market access.

5. The objectives of some MSPs in the SPS area are presented below as an illustration.

- In Uganda, following a ban on fisheries exports to the European Union, the competent authority and a private laboratory (Chemistar) created a partnership to improve testing and diagnosis of fisheries products in order to regain and maintain access to the European market.
- In South Africa, the national plant protection organization, the citrus industry, growers' association and research institutes initiated a partnership (Market Access Working Group) for the implementation of phytosanitary controls to improve compliance with SPS requirements and support export-driven job creation within the citrus industry.
- In East Africa (Kenya, Tanzania, Ethiopia, Uganda and Zambia), public-private partnerships focused on the export-oriented horticulture sector, were created with support from the Dutch Government to address market and governance failures. These partnerships addressed different aspects of SPS capacity building (including support to develop a framework for phytosanitary inspection, industry-driven training, etc.). The objective was to address: (i) market failures by stimulating capacity building to innovate and achieve continuous improvements in product and process development; and (ii) governance failure by creating a two-way learning where partners recognized that they need each other for achieving their individual and collaborative objectives.²
- The Global Food Safety – China Executive Programme is an example of a MSP involving the food industry (Cargill, General Mills and others), the General Administration of Quality Supervision, Inspection and Quarantine of the People's Republic of China (AQSIQ) and academia (Michigan State University) to establish a network of food safety leaders in China and foster a shared global food safety mindset.

Problems Encountered

6. Examples presented during the STDF workshop demonstrate that MSPs are often challenging to develop and implement. This reflects the diversity of the organizations and individuals involved including their different backgrounds, perceptions, organizational cultures and working procedures.

7. At the development stage, overcoming the reluctance and/or resistance (i.e. changing “mind-sets”) of some organizations and/or influential individuals to commit to a new, collaborative way of working was encountered by some MSPs as a key challenge. Insufficient trust between public agencies and the private sector was a frequent problem. For instance, in the case of Uganda, it was challenging to convince government officials to enter into a partnership with a private sector laboratory. In general, problems were more likely to arise when the stakeholders involved did not fully trust each other's motives for establishing a partnership or when they had different expectations regarding the objectives and purpose of the partnership, or its operation.

² Stella Pfisterer, Diederik de Boer, Huub Mudde, meine Pieter van Dijk, Rob van Tulder. 2009. The Effectiveness of Public Private Partnerships in East African Export-Oriented Horticulture. Review of the World Summit on Sustainable Development Partnership Programme in Tanzania, Kenya, Ethiopia (Zambia and Uganda). Final Report, 25 March 2009 for the Dutch Ministry of Foreign Affairs and the Ministry of Agriculture, Nature and Food Quality.

8. Once partnerships were established, problems were encountered in their operation and management when they were not well planned. Some level of human and financial resources (e.g. for communications and information dissemination to stakeholders, organization and follow-up to meetings, budgeting and financial management, etc.) is needed to run and manage partnerships. Problems arose in cases where issues like leadership and resources were not adequately addressed at the inception and design stage.

9. External factors – particularly the institutional framework – also influenced the development of SPS partnerships. For instance, research showed that countries which had developed a policy or code of good practice for public-private partnerships (e.g. South Africa) provided a facilitating environment for MSPs.

Factors for Success/Failure

10. Factors that determine the success, or failure, of MSPs in the SPS area include ownership, trust, commitment and transparency. Partnerships should be demand-driven to be effective and sustainable. In cases where donors, or other external organizations, play a role in initiating or facilitating partnerships (often in weak or fragile states), it is crucial to ensure national ownership. Buy-in of local farmers, producers and exporters is important and should be encouraged. Membership-driven organizations (e.g. producers or exporters associations) can also play a valuable role in promoting ownership and enhancing accountability of partnerships.

11. Trust and respect between the stakeholders is another critical factor in the success of SPS partnerships. In several countries, government agencies responsible for setting SPS standards and ensuring compliance have limited experience of consultation and engagement with the private sector including producers, exporters, traders, firms, etc.. Identifying and agreeing on shared interests and objectives, and working together to meet these objectives and achieve mutual benefits, often represents a new approach and way of working. Therefore, time is needed to build trust and acceptance, and operationalize new working relationships. In some cases, including where the public sector is extremely weak, donors can provide useful support on the management and governance of MSPs. However, in donor-facilitated partnerships, top-down approaches and dependency on external funding should be avoided.

12. Clear commitment of the organizations responsible for SPS compliance and implementation of standards is essential to develop and implement MSPs in the SPS area. Ensuring that all the relevant organizations and concerned individuals are committed to the objectives of the partnership enhances success.

13. Partnerships perform best in a stable environment characterized by transparency and good governance. This requires that documentation is available on decisions made by persons involved in the partnership, as well as on any activities undertaken, expenditures made, outcomes achieved, etc. In cases where financial resources were involved, basing the partnership on a legal agreement that clearly defines its scope and operation was considered constructive. Appropriate reforms and policies to ensure an enabling environment, and minimize corruption, should be encouraged.

Results Achieved

14. Multi-stakeholder partnerships engage stakeholders in collective action to achieve shared objectives. Experiences indicate that when well-designed, implemented and managed, MSPs in the SPS area can enhance compliance with SPS requirements, and help to link smallholders with high-value markets. Some of the general results of partnerships presented to the STDF/LNV/World Bank workshop are described below.

- The partnership in Uganda between the competent authority and private laboratory substantially improved the quality of laboratory testing for fish exports, as well as the quality of the results obtained, which was an important factor in being able to regain entry to the European market for fish and fish products.
- The MSP in the citrus sector in South Africa provides a platform for ongoing dialogue and collaboration between the various public, private and other (research/university) partners involved in citrus production and exports to address any plant health and/or trade-related issues that arise as a means to maintain current export programmes and promote access to new markets.
- A review of the Public-Private Partnerships in East African Export-Oriented Horticulture found that, on the whole, they improved the capacity to innovate and ensure continuous improvements in product and process development (including the attainment of safety and quality standards), which is expected to result in lower rejection rates and higher prices for farmers.³

Lessons Learned

15. Achieving SPS compliance is a shared responsibility and there is an obvious need for collaboration across the public and private sectors, as well as with other concerned stakeholders. Formulating and endorsing a coherent SPS policy or strategy, which clearly identifies SPS objectives and the roles and responsibilities of different types of stakeholders and is based on consultation and dialogue with all the concerned stakeholders, is a useful starting point. The process of developing such a policy or strategy provides a vehicle for public-private dialogue to identify areas of common interest(s), which is a precondition for a successful partnership.

16. Many of the partnerships discussed at the STDF/LNV/WBI workshop appear to have developed in an experimental manner, as exploratory efforts in collaboration based on common interests. Some work is underway to measure the added-value of partnerships for agricultural development. Further efforts to analyse the SPS-related partnerships and measure their impact would be useful to help develop recommendations to scale-up effective partnerships for the delivery of SPS public goods.

Conclusions

17. Overall experiences point to the benefits of MSPs in the SPS area, including their role in facilitating 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. Available research has shown that MSPs can be instrumental in helping to meet SPS infrastructure requirements that have public good characteristics, such as laboratories, and in strengthening links within the supply chain, particularly where market failures impede access by smallholders.⁴

18. Establishing MSPs to address particular SPS capacity constraints and/or improve capacity to comply with SPS requirements is an effective approach, which could be further developed in SPS-related technical cooperation, as well as within the Aid for Trade Initiative more broadly. This is in line with recommendations in the Aid-For-Trade Work Programme 20012-11, which highlighted the need for greater involvement of the private sector to enhance the effectiveness of Aid for Trade.

³ Stella Pfisterer, et al. 2009.

⁴ Rich, Karl M. & Narrod, Clare A., 2010. "The role of public-private partnerships in promoting smallholder access to livestock markets in developing countries," IFPRI discussion papers 1001, International Food Policy Research Institute (IFPRI).